

The NATIONAL UNDERWRITER

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ÆTNA LIFE INSURANCE COMPANY

MORGAN B. BRAINARD, PRESIDENT . . . HARTFORD, CONNECTICUT

88th Annual Statement, December 31, 1937

CAPITAL STOCK \$15,000,000

ASSETS

CASH ON HAND AND IN BANKS	\$ 18,386,784.18
REAL ESTATE (INCLUDING HOME OFFICE BUILDING)	38,011,810.67
MORTGAGE LOANS	59,484,124.91
* BONDS AND STOCKS	367,860,193.61
LOANS SECURED BY POLICIES OF THIS COMPANY	70,284,678.12
PREMIUMS IN COURSE OF COLLECTION AND DEFERRED PREMIUMS	16,757,263.98
INTEREST DUE AND ACCRUED	6,433,401.66
MISCELLANEOUS ASSETS	53,269.29
TOTAL ADMITTED ASSETS	\$177,272,330.86

LIABILITIES

RESERVE UNDER POLICY CONTRACTS	\$491,449,250.55
PREMIUM RESERVE, ACCIDENT AND LIABILITY DEPARTMENT	6,655,795.09
RESERVE FOR CLAIMS AWAITING PROOF AND NOT YET DUE	11,116,615.44
RESERVE FOR LIABILITY AND WORKMEN'S COMPENSATION CLAIMS	12,132,000.03
RESERVE FOR DIVIDENDS PAYABLE TO POLICYHOLDERS	6,902,742.66
PREMIUMS PAID IN ADVANCE AND OTHER LIABILITIES TO POLICYHOLDERS	6,693,493.15
TOTAL LIABILITY UNDER POLICY CONTRACTS	\$535,349,896.92
RESERVE FOR TAXES NOT YET DUE	3,568,308.90
MISCELLANEOUS LIABILITIES	3,027,518.18
CONTINGENCY RESERVE	2,000,000.00
TOTAL LIABILITIES	\$543,945,724.00
SURPLUS TO POLICYHOLDERS:	
CAPITAL	\$15,000,000.00
SURPLUS	18,326,606.86
TOTAL	\$577,272,330.86

* Bonds not in default are carried at amortized values; bonds in default and stocks are carried at market values except stocks of affiliated companies which are carried at their own book value.

FRIDAY, MARCH 18, 1938

NEW YORK LIFE INSURANCE COMPANY

A Mutual Company Founded April 12, 1845 . . . Incorporated in the State of New York . . . 51 Madison Avenue, New York, N. Y.

THOMAS A. BUCKNER, *Chairman of the Board*

ALFRED L. AIKEN, *President*

A BRIEF DIGEST OF THE 93rd ANNUAL STATEMENT, DECEMBER 31st, 1937

During the year 1937 the Company paid to policyholders and beneficiaries \$191,000,000, bringing the total of such payments for the past ten years to over *two billion dollars* . . . New insurance issued, \$477,000,000, an increase of \$26,000,000 over 1936 . . .



Insurance in force, \$6,770,000,000, a gain of \$109,000,000 . . . Included in liabilities is a Special Investment Reserve of \$40,000,000, and a Reserve of \$39,900,000 for dividends to policyholders in 1938 . . . Surplus for general contingencies, \$124,000,000.

ASSETS

Cash on Hand, or in Bank	\$64,231,858.43
United States Government, direct, or fully guaranteed Bonds	512,300,999.54
State, County and Municipal Bonds	254,845,789.65
Canadian Bonds	59,771,724.10
Railroad, Public Utility, Industrial and other Bonds	576,334,340.82
Preferred and Guaranteed Stocks	81,644,201.00
Real Estate Owned (Including Home Office)	140,089,034.62
First Mortgage Loans on Real Estate (Including \$2,265,334.31 foreclosed liens subject to redemption)	414,284,562.41
Policy Loans	355,265,818.60
Other Assets	61,581,887.19
TOTAL	\$2,520,350,216.36

LIABILITIES

Insurance and Annuity Reserve	\$2,063,058,950.00
Present Value of Future Instalment Payments	112,255,214.65
Dividends Left with the Company at Interest	107,197,578.67
Other Policy Liabilities	14,915,390.91
Premiums, Interest and Rents Prepaid	11,072,545.41
Miscellaneous Liabilities	2,850,269.51
Special Investment Reserve	40,000,000.00
Reserve for Taxes	4,972,037.23
Reserve for Dividends payable to Policyholders in 1938	39,989,051.00
Surplus funds reserved for general contingencies	124,039,178.98
TOTAL	\$2,520,350,216.36

As prescribed by the State of New York, bonds eligible for amortization are carried at their amortized values. Other bonds and guaranteed and preferred stocks are carried at market values as furnished by the National Association of Insurance Commissioners. \$36,984,088.90 of securities, included above, are deposited as required by law.

BOARD OF DIRECTORS

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*Educational Counsellor of
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Treasurer, Cabot Mfg. Co. (Textiles)

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*President,
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Bill Cutting Loan Interest Passed in N. Y. Assembly

**Maximum of 4.8 Percent
Set for Policy Loans—Gov-
ernor's Signature Expected**

ALBANY, N. Y.—The New York state senate and assembly passed the bill limiting policy loan interest to 4.8 percent in advance and it undoubtedly will be signed by Governor Lehman, in view of his attitude toward life insurance. Such proposals have frequently been made in various states, but this is the first time, at least in recent years, when a limit below 6 percent has been voted on both legislative houses in New York state.

Though the law could apply only to insurance issued after the measure's effective date, the fact that approximately 85 percent of the country's business is done by companies domiciled or licensed in New York would make the effects of the law far-reaching.

Company Officials Oppose Juvenile Limitation

Strong opposition of life insurance interests developed at a legislative hearing in Albany, N. Y., to the O'Brien bill to forbid issuing a policy without consent of the insured. This would strike at juvenile life insurance, there being a limitation of \$300 in the bill for children under age 11.

C. G. Taylor, vice-president Metropolitan, and W. M. Strong, associate actuary Mutual Life of New York presented their views. Senator O'Brien explained an amendment had been made to permit an institution of learning to continue to insure students against loss of tuition incurred by sickness or injury.

Mr. Taylor objected to the general set-up of the bill and wanted it put over until next year and studied by the committee handling the new insurance code. He said even with the bill amended so it would take effect Jan. 1 instead of immediately, there was not sufficient notice to industrial companies to change their practice. He pointed out that while the bill is being proposed by the insurance department, Superintendent Pink in his report called attention to possibilities of fraternal writing more juvenile insurance.

Opposes Arbitrary Limit

Mr. Taylor agreed with the idea apparently behind the bill that children in a family should not be overinsured, but said he did not believe fixing an arbitrary maximum of \$300 would solve the problem. He said it is his company's practice not to insure children beyond a 25-cent per week premium unless the head of the family carries at least \$500 insurance on his own life. It is difficult

(CONTINUED ON PAGE 30)

National Mid-Year Meet Followed New Pattern

By LEVERING CARTWRIGHT

RICHMOND, VA.—The mid-year meeting here of the National Council of the National Association of Life Underwriters followed a new pattern.

In the past, the day has been consumed with complete reports from the various committees and with messages from the officers. At Richmond, however, just a few of the committee chairmen reported to the National Council meeting and these were extremely brief and pointed. The full reports were made at the meeting of the trustees the previous day and they are being made available in printed form.

A good deal of the National Council meeting consisted of a conference on local association problems, with several leaders being designated to handle various phases. It turned out that the greatest interest was displayed in the period conducted by National Treasurer Robert L. Jones on the matter of budget and finance.

Douglas Heads Nominators

In the balloting to select the five members of the nominating committee for the Houston national convention in September, O. D. Douglas, Lincoln National San Antonio, received the highest number of votes and thus became the chairman. The other members are Karl E. Madden, Penn Mutual, Davenport, Ia.; Lyman E. King, New England Mutual, Toledo; Fred Zweifel, Equitable of Iowa, Toledo, and J. C. Hardin, Kansas City Life, Roanoke, Va.

President O. Sam Cummings made the ruling that invitations might not be presented to the National Council at Richmond either for the 1939 mid-year or annual meetings. In the past, sometimes an hour or so has been consumed in listening to these invitations. There was a large delegation from St. Louis, headed by George L. Dyer, Sr., Columbian National, on hand to arouse sentiment in favor of holding the 1939 annual convention in that city. They hung up banners and pinned buttons upon the lapels of the delegates. It appears now that there will be no competition for the 1939 meeting and that it will go to St. Louis. The hotels in Atlantic City have submitted an invitation, but it is not being given consideration.

Cleveland Wants Mid-Year

H. G. Wischmeyer, John Hancock Mutual, Cleveland, arose to ask whether he might submit an invitation for the 1939 mid-year meeting, but Mr. Cummings ruled that he might not. Mr. Cummings said that other cities have submitted bids for the mid-year meeting.

The day prior to the National Council meeting, there was a local sales congress attended by nearly 500 and addressed by several of the national leaders. That evening there was a gay banquet and dance at which Neil D. Sills of the Sun Life, Richmond, presided. He served as national president 25 years ago. The principal talk at that time was given by Commissioner Bowles of Virginia. Others who spoke

briefly were Thomas Oslund, chairman Virginia Corporation Commission; President Cummings; Holgar Johnson, Penn Mutual, Pittsburgh, national vice-president; Robert L. Jones, New York, national treasurer; C. J. Zimmerman, Connecticut Mutual, Chicago, national secretary; T. M. Riehle, Equitable Society, New York, past national president, and Roger B. Hull, managing director.

General Agents Had Meet

Phil B. Hobbs, Equitable Society, Chicago, conducted a meeting for the members of the committee of the general agents and managers section, of which he is chairman, and there was a meeting on the operation of state associations that was conducted by O. D. Douglas. About 15 state presidents were on hand.

One of the recommendations in the address of Mr. Cummings and in the report of Mr. Hull was that a central agency be established by the companies to disseminate constructive information concerning life insurance and the field force. These recommendations were presented with a good deal of force. Those two leaders were obviously disturbed by the savings bank life insurance proposal in New York and the New York "World-Telegram" series of attacks upon industrial insurance.

C. J. Zimmerman in reporting to the trustees as chairman of a special committee on fraternal association members recommended that the proposal to admit to membership representatives of fraternal societies be rejected.

Plans for Houston Rally

Inasmuch as the mid-year meeting was held about six or seven weeks earlier than usual, report on plans for the annual convention had to be somewhat abbreviated. However, Isadore Samuels, New England Mutual, Denver, was able

(CONTINUED ON PAGE 14)

Ranking by Insurance in Force Table Reprinted

The ranking of companies by insurance in force which was published in last week's issue of The National Underwriter created much interest. Because the supply of extra copies of the issue is limited, special reprints have been made of the tabular matter and are available in a 3½x8½ inch folder. General agents of companies which rank high in the amount of insurance in force and which made especially good records in 1937, will wish to provide their agents with these reprints. The minimum order is 100 for \$3 plus \$1.25 for additional 100's. Send orders with check attached to The National Underwriter, 175 West Jackson boulevard, Chicago, Ill.

Hull Calls for Sustained Public Relations Effort

**Savings Bank Insurance
Clamor Indicates Need—
Trustees Adopt Resolution**

RICHMOND, VA.—Roger B. Hull, managing director of the National Association of Life Underwriters, in addressing the mid-year meeting of the National Council in Richmond, made a spirited plea for the establishment of more effective public relations for life insurance.

The trustees of the National association the previous day adopted a resolution stating:

"There is a vital need for some public relations agency, operating throughout the year, made effective by the companies, for the purpose of bringing to the public generally a more complete understanding of the fundamental social and economic, human and moral, services rendered by the institution of legal reserve life insurance and its agency forces, to the nation."

President O. Sam Cummings of the National association has now addressed chief executives of all legal reserve companies making a strong plea for the establishment of a "public relations agency" in keeping with the resolution adopted at the Richmond meeting.

Wants Sustained Program

Mr. Hull contended there is need "for a sustained program of public relations, one by-product of which would be to deal with the increasingly troublesome attacks which are being made upon the institution and upon the agency forces."

"Possibly," he declared, "my own enthusiasms have been aroused and stimulated by the recent experiences through which we have been struggling in New York with savings bank life insurance, and with that same monster, viciously garbed with official sanction, in Massachusetts."

"The struggle carried on by the organized life underwriters of New York demonstrated that no agency had been set up, through which the agents could tell the story of their service to the public, except as the New York state association and its 18 local units and the National association were able to swing into action."

N. Y. "World Telegram" Attack

"At just the same time there was running in one of New York's most widely read newspapers a series of poisoned attacks on one phase of the life insurance business. Savings bank life insurance as practiced in Massachusetts and as proposed in New York, was assumed to be the cure-all of the alleged ills."

"I realize that it is possible to take one of two positions, with respect to any proposal that a counter-informational service ought under such circumstances to be set up."

(CONTINUED ON PAGE 30)

New England Sales Congress Develops Many Practical Tips on Selling

BOSTON.—Practical advice on prospecting and selling was given at the New England sales congress here by a number of experienced, successful field men. Four valuable tips on prospecting were offered by Herbert R. Ketzner of Staten Island, N. Y., leading agent of the Metropolitan last year.

"You must prospect effectively each day or you will fail," he said. "Qualify your suspects; it will save you footaches, headaches and heartaches. Use the endless chain system. Win the friendship of influential people for your centers of influence."

Mr. Ketzner said frequently a new agent after he has sold his friends and relatives runs out of prospects and leaves the business, a failure. Such men may have all the requisites for success—education, ambition, fine appearance and personality. They may be hard, conscientious workers, have a thorough knowledge of life insurance fundamentals, yet they have not been taught the most essential requisite in life insurance selling—the art of prospecting.

"Give me a man of average intelligence, who is ambitious, who can take rebuffs; he will succeed if he is taught the technique of prospecting. Sooner or later, the agent who stops prospecting comes to a dead halt. It is only a question of time. The moment an agent quits prospecting, he is inviting the coming of the day when he will reach the bottom of the list and go into a production slump."

Systematic, Effective Prospecting Plan Essential

"The overwhelming weight of authority indicates, beyond question, that few men ever have succeeded or ever can succeed in the life insurance business until they have acquired a definite, methodical, systematic and effective method of prospecting."

"Yet, there are certain steps which must be taken and in certain order, whether you are a new or an experienced underwriter. These steps are: (1) Getting names or leads; (2) selecting qualified leads; (3) getting favorable interviews."

"Most of you are experienced underwriters, but for the benefit of the new men, I shall mention the sources of obtaining a list of names. (1) Persons you know; (2) persons they know; (3) names from newspaper articles. A great number of names may be obtained from the following newspaper sources: Births, building permits, change in business management, changes in position, contracting firms awarded large contracts, contributors to charities, directors of banks and corporations, engagements, executors of estates, heirs—those about to inherit money, incorporation announcements, lists of graduating class members, marriage announcements, men who receive large fees at times (lawyers, doctors, architects, and others); men who start in business, men who sell their businesses, men whose businesses are reorganized, men who win lawsuits, narrow escapes in traffic accidents and other accidents, political appointments, partnerships, probate of wills, people who move into the community, promotions, real estate transfers, relatives named in death notices, salary increases, society items, those with estates that will be taxed at their deaths."

Should Not Neglect Agent's Circle of Friends

"Many agents continue to pursue the wary prospect through devious lanes and bypaths and deliberately neglect their friends. Why not make up a list of your best friends, the men who are so close to you that you have always

hesitated to talk life insurance to them? The world is full of the tragedy of the under-insured man who goes through life wondering why a good friend in the business has never talked to him."

"An additional list of names can be obtained for you, by your congressman or senator, from the internal revenue bureau, of those persons who have an income of \$20,000 or more. If you want to reverse the situation and you find it difficult to obtain names, I suggest that you refer to the alphabetical occupational rating list in your rate book. Record the names of all persons you know whose occupations are listed there."

Practical Suggestions on Types of Prospects

"The names of your tradespeople should be added. They oft-times feel obligated to you, and rightly so. I suggest that you refer to your check stubs for the past year. Make a list of those persons to whom you made payments for purchase of merchandise. I always deliver the checks in person—it brings me into closer contact. Every merchant from whom I buy has purchased insurance from me, even to the newspaper man."

"You will find the names of the members of the medical society; nurses registry, golf clubs, Kiwanis, Rotary, and Lions clubs make up a valuable list."

"You now have a list from which you must select names but only after a careful analysis to ascertain the names of those who have (1) a need for insurance, (2) whom you are qualified to sell, (3) whom you can interview on a favorable basis, such as with a letter of introduction and (4) who can pay the premiums."

"Not all persons are prospects. Some have not a definite need; some can't pay for it; some can't get it. The need is the

first thing to think about. Primarily there are two reasons why a man may need insurance: to protect those dependent on him; and to protect himself against dependent old age."

"It is quite difficult to determine this question of ability to pay before you have secured the confidence of the prospect and have gone into his affairs rather thoroughly in the interview. Nevertheless, there should be a definite attempt to qualify the suspect prior to the interview, so as to postpone those who are obviously in no financial position to do business with you now."

"If one really tries, he can secure considerable information upon this subject before the interview. Here are a few of the effective ways of accomplishing this:

"(1) Get all the information possible about the man's financial status from the one who gives you his name, if he is a referred lead."

"(2) Consider the 'suspect's' business position and the probable income which such work commands."

Consider Neighborhood, School, Car He Drives

"(3) If he is a professional man, the neighborhood in which he lives, the type of car he drives, the schools to which he sends his children, etc., are important factors to consider."

"(4) If he is in business for himself, find out whether that type of business is prospering or is not. Your chamber of commerce will help you in this regard or almost any standard financial magazine will keep you up-to-date with such information. If you want information about a businessman, go to his competitor. He will know."

"(5) Friends, acquaintances, or neighbors of the person whom you are planning to interview can give you much valuable data as to whether or not a

man's income seems to be increasing or the reverse."

"Simple questions such as the following will elicit this information: 'Does his business seem to be doing well just now?' 'Does he seem to be saving money?' 'When was he promoted last?' 'Does he seem to be spending freely or is he retrenching?'"

"After qualifying this list to ascertain if they have a need for insurance, if you are qualified to sell them, if you can interview them on a favorable basis, and if they can pay the premiums, you will have a reduced list of suspects. They can be considered prospects only after an interview."

"The average agent has a tendency to regard any new name as a prospect. He makes no attempt to qualify the suspect but attempts to sell the new so-called prospect. The result of this unplanned and haphazard procedure is that the agent has an extremely high ratio of interviews to sales. He is the man who is constantly haunted by the demoralizing and destructive thought that he is a poor salesman, but if he would only stop to analyze his shortcomings, he would discover that he is, as a matter of fact, a poor prospector."

Ascertains Names of Man's Children

"I cannot impress upon your minds too deeply that the agent must, if he wants to succeed, qualify every suspect before he makes an attempt to sell. In most cases I go to the extent of ascertaining the names and ages of his children. When I speak to him of his little boy, Bobby, or Baby Jane, the suspect immediately senses that I know not only of his responsibilities but of his financial position as well."

"I never call on a suspect until I have, at least on two occasions, sent him literature pertaining to the value of insurance. Usually, the first book I send out is 'What I Have Learned about Life Insurance,' by Bruce Barton—now a member of Congress from New York. I follow this with a financial statement of the company, together with a pamphlet containing a human interest story, an appeal to him to protect his loved ones—that tug at his heart strings; or literature regarding dependent old age."

Asks Two References Which Are Extra Leads

From every applicant he secures the name of two people as references, by telling this applicant this is a customary procedure."

Before leaving the insured it is possible to obtain three to five additional prospects, such as brothers or sisters, parents still living."

"No man in this business can reach great heights until he has succeeded in cultivating the friendship of others who are in a position to help him in making contacts," Mr. Ketzner said. "Regardless of a man's ability or experience, his success will ultimately be determined almost entirely by the help he can get people to give him."

POINTERS ON CLOSING

Felix U. Levy of the R. G. Engelsman general agency, Penn Mutual, New York City, discussed selling and closing, stressing the agent's mental attitude in these functions as highly important."

Selling he defined as convincing a prospect of the wisdom, from his standpoint, of adopting a proposed course of action; closing as simply getting that

(CONTINUED ON PAGE 12)

President Green Honored



The agents of the Pilot Life of Greensboro, N. C., made an intensive three-day drive to honor President E. C. Green on his 39th birthday anniversary, March 4. The result was the largest volume for the same period in its history, and 67 percent more than the amount received in 1937. Through March 11, \$753,086 had been received, which is \$133,686 more than for the same period last

year. The drive thus brought out some unusual productivity."

The cut shows the presentation of the applications to President Green by Agency Manager J. M. Waddell. In the cut, left to right, are Mr. Waddell and Mr. Green, sitting. Standing from left to right are Treasurer W. L. Sharpe, Vice-president and Medical Director H. F. Starr and Secretary J. W. Carson.

Says 110 Billions in Force in U. S. Is Peace Mandate

President Wilson of A. L. C. Sees Powerful Appeal for Neutrality in Life Insurance

Life insurance in force in this country totaling \$110,000,000,000 represents "mandate" from the American people to stay out of war and to make possible achievement of the aims for which the insurance was purchased—preservation of peace, individual initiative and free-



HARRY R. WILSON

dom from want, Harry R. Wilson, president of the American Life Convention, held in a statement this week. Life insurance is one of the most powerful forces for peace in this country, he said, at a time when many nations are creating huge war machines and the whole world is oppressed by the fear of another cataclysmic war.

Mr. Wilson reviewed life companies' 1937 operating results and scanned prospects ahead for the institution and its 65,000,000 policyholders.

The approximately \$9,000,000,000 of new life insurance, including ordinary, industrial and group, placed in force in this country last year, and the more than \$26,000,000,000 assets behind this insurance, he said, represent the will of the people to have peace and safety for themselves and their families.

Assets Equal to War Cost

"Life companies' assets are estimated now to total \$26,350,000,000," Mr. Wilson said. "It is interesting to note that this sum is equivalent to the cost to the United States of the world war. It is estimated that at the end of 1938 the assets will have increased approximately \$1,500,000,000."

"We in this country might well reflect that the life insurance assets constitute a 'plus' item which is employed for the prevention and alleviation of misery, poverty and anguish, rather than a 'minus' account caused by the creation of these three. In the dull, almost astronomical figures of the life insurance institution are bound up the hopes of the American people for peace, contentment and ease of mind; for independence and the preservation of personal initiative."

"We should contemplate also the fact that about 70 percent of all the life insurance in force in the world is owned in the United States. It is a vast fortune which the American life insurance owners have saved by sacrifice and self-denial for the assurance of their peace

Production in February Dropped 17.2 Percent

NEW YORK—New life insurance for February was 17.2 percent below the amount for February of last year, while the total for the first two months was 14.7 percent less than for the first two months of 1937, according to the Life Presidents report.

For February, total new business was \$589,407,000 against \$711,478,000 during February, 1937. New ordinary amounted to \$373,644,000 against \$459,001,000, decrease 18.6 percent. Industrial was \$174,092,000 against \$212,231,000, decrease 18 percent. Group was \$41,671,000 against \$40,246,000, increase of 3.5 percent.

For the first two months, the total new business was \$1,178,572,000 against \$1,381,868,000. New ordinary amounted to \$751,433,000, decrease 15.8 percent. Industrial was \$354,067,000, decrease 13.1 percent. Group was \$73,072,000 against \$82,297,000, decrease 11.2 percent.

and welfare in the years to come; a huge stake with which they cannot afford to gamble, for it represents the carrying out of their life plans for themselves and their families.

Worth 100 Cents on Dollar

"Life insurance came through the recent business recession," Mr. Wilson said, "as it came through the depression years—a stout ship undamaged by the storms, sailing unswervingly on its course. The principles of life insurance, like the early American 'clipper' ships that were being built when life insurance was founded in this country, withstood the buffeting of the last year because they were sound. Life insurance policy owners knew when 1937 started that at the end of the year their policies would be worth 100 cents on the dollar—and

(CONTINUED ON PAGE 27)

Motivation Stressed by Kuehner and Dawson

Gordon Kuehner, Travelers superintendent of agencies, in a talk on "Motivation" before Hartford Life Underwriters Association's lecture course, suggested methods to aid the agent in accomplishing his sale once he is working toward a close. "It is comparatively easy to generate a mild interest in the prospect, but requires real ingenuity and skill to bring out a strong desire. This desire is not brought out by a printed policy form," said Mr. Kuehner.

"Although you can bring your prospect to a certain point of interest, you can't sell by logic and reason. The average man is suspicious of logic."

"Can't Afford It" Relative

The objection "I can't afford it" is only relative, and can be made to appear ridiculous if the agent will present the hypothetical case of a widow whose husband has died uninsured or scantily so, with the question "What she can afford?"

Mr. Kuehner suggested that the agent draw up in the presence of his prospect a chart such as this:

- | | |
|--|--|
| <p>Your Obligation</p> <ol style="list-style-type: none"> 1. Premium—\$25 per month. 1. \$10,000 cash ready at all times. 2. Pay your premiums in case of disability. 3. Cash reserve. | <p>Our Obligations</p> <ol style="list-style-type: none"> 1. \$10,000 cash ready at all times. 2. Pay your premiums in case of disability. 3. Cash reserve. |
|--|--|

If the prospect is still unconvinced the most effective gesture is the placing of the letter "y" before the word "our," thus demonstrating in dramatic fashion that the company's obligations have become the personal obligations of the prospect.

"We must motivate the prospect. So

many sales fail because we put up an obvious airtight proposition, then wait for the signature. It is a mistake to approach a prospect with an exalted opinion of him. We must realize that he does not know life insurance as we do, and that we must make every point unmistakably clear to him.

C. P. Dawson, New York, associate general agent for New England Mutual, discussed "The Closing Process." Mr. Dawson emphasized the importance of time in closing a sale and warned that unless he is willing to spend a considerable amount of time with his prospect the agent is apt to lose his sale.

Mr. Dawson divided the selling process into three parts: desire, proof and closing.

Arouse Desire

In the first section of the selling process, when the desire of the prospect must be aroused, Mr. Dawson advocated four steps. The prospect must immediately be made to feel that the agent is a competent and sincere man, well versed in the intricacies of life insurance and anxious to help his clients. It is a matter of creating a favorable first impression and insuring courteous attention throughout the interview. A discussion of some general point of information is often a valuable means of developing this confidence.

"The next step is right into the heart of the proposal," said Mr. Dawson. While outlining the proposal, the agent must be gathering information concerning his prospect's insurance, and must be ever on the alert to make small changes in his original proposal to fit it in with what the prospect already has. Then he can present a concrete proposal.

Not a Turndown

A feeler at this point usually begets a negative answer, a "no" or "but," and Mr. Dawson urged that agents not accept this as a turndown, but recognize it merely as a drop in interest. "The prospect feels that you're through," he said, "and yet he has not yet had sufficient information. Direct argument here is futile. Go ahead with proof points to build back the interest."

At this point the sale is entering its second stage, which Mr. Dawson labeled "proof." The agent here tells some of the history of his company, the names of prominent men affiliated with it or holding policies with it. All this is to build up a supreme confidence in the prospect in the dependability of the company.

Mr. Dawson then entered his discussion of the section he labeled "closing." It is imperative, he said, that the agent be prepared to meet five problems during this process, before he can obtain a signature.

Insufficient Desire

The first problem is presented by the prospect who agrees with the logic of the plan as presented, but has an insufficient desire for the policy. "The agent here must have in reserve one or two new arguments to stimulate or recreate interest and desire. He might discuss the value of life insurance as a means of saving, or the value of the reserve. An excellent argument would be a discussion of life insurance as a guaranteed property investment, as against speculative investments. He must use logic to give added information, he must use motivation to set the stage for action, and then he should try for action itself. We often find another drop of interest, but should recognize it as that rather than a refusal, and must try again."

A second problem is the fear of loss, or suspicion as to the advantages of the plan. Patience is imperative here. The

(CONTINUED ON PAGE 27)

GOOD NEWS THAT PAYS

Among the best leads are congratulatory letters addressed by a Home Office official to an insured who has completed his premium payments or whose Endowment has matured. When delivered by the underwriter there is a sales opportunity which is lacking when mailed direct.

Among several approaches, after the prospect has read the letter, the Father and Son is unusually productive. It may run something like this:—

"Don't you wish your Father had taken out a policy for you when you were a young boy?" Virtually always the answer is, "Yes." And then it is suggested what a fine thing he would be doing if,—with his policy paid for,—he were to insure his boy's life,—that, of course, he would have to care for the premium for a few years, and then the son would be gratefully glad to carry on. Always emphasized should be the Father's control of the policy until he gives it to his son,—and that is often the deciding factor.

If a single sum maturing Endowment, circumstances will suggest what would be the most effective plan for applying the money to an income use.

The bearer of good news is always welcome!

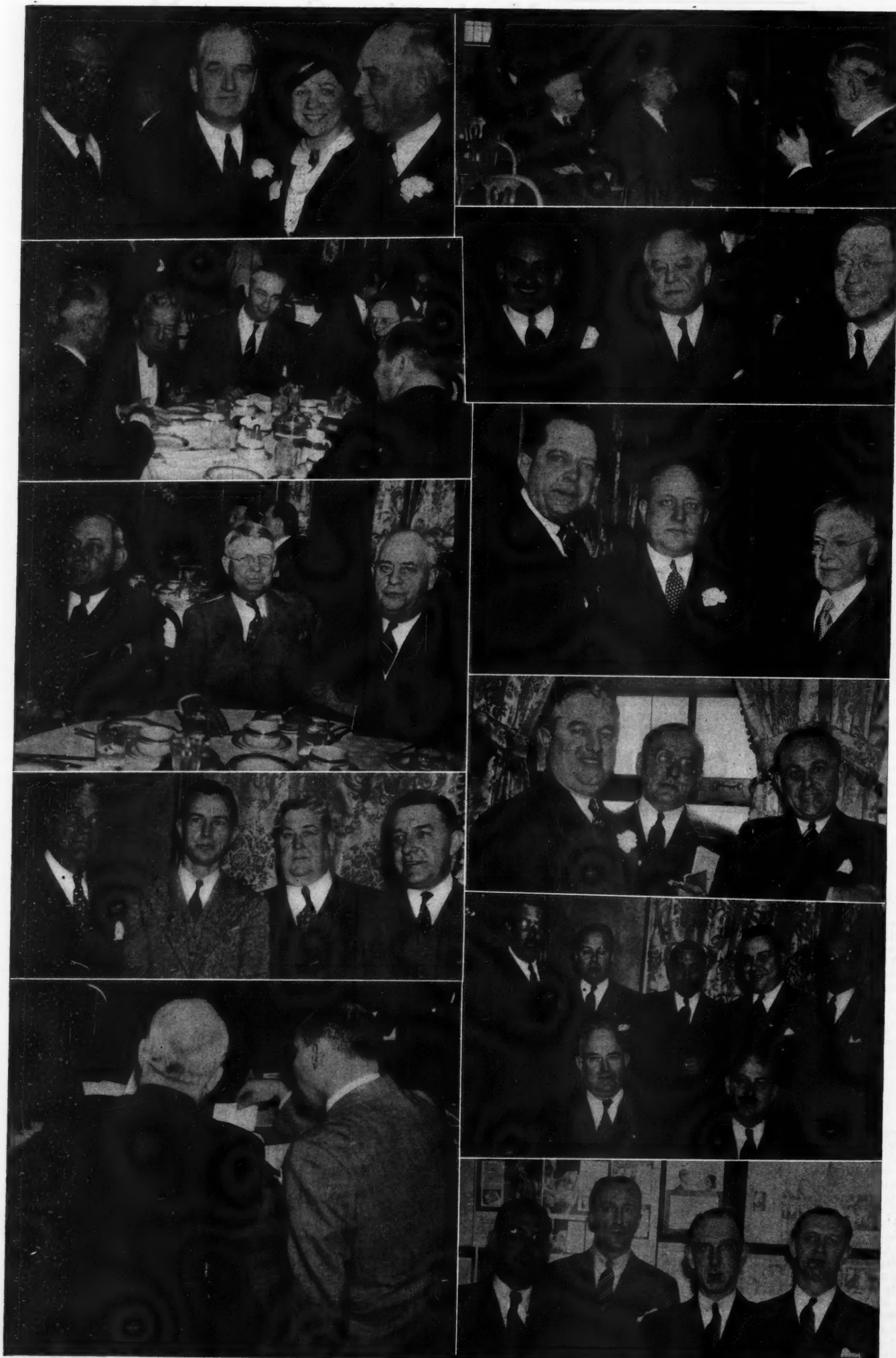
* * *

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President.

Independence Square

PHILADELPHIA



At National Association of Life Underwriters mid-year meeting in Richmond: Top row (left to right)—A. E. McKeough, W. A. Alexander & Co., Chicago; A. E. Patterson, vice president Penn Mutual; Miss Joy Luidens, secretary Chicago Life Underwriters Association; Harry T. Wright, Equitable Society, Chicago; E. L. Allison, Phoenix Mutual, Tulsa; B. Scott Blanton, Phoenix Mutual, Charlotte, N. C.; R. B. Hull, managing director National association.

Second row—Harry T. Wright, Equitable Society, Chicago; R. U. Darby, Massachusetts Mutual, Baltimore; C. C. Hall, Life of Virginia, Richmond; C. C. Gilman, New England Mutual, Boston; John W. Murphy, head office field supervisor Life of Virginia; H. G. Wischmeyer, John Hancock, Cleveland; Robert Richards, advertising manager Atlantic Life.

Third row—J. C. Hardin, Kansas City Life, Roanoke, Va.; Ed Baker, John Hancock, Louisville; E. A. Murphy, John Hancock, Rochester, N. Y.; John Pascoe, Equitable Society, Raleigh, N. C.; T. M. Riehle, Equitable Society, New York; Robert L. Jones, State Mutual, New York.

Fourth row—W. T. Nolley, Northwestern Mutual, Richmond; R. E. Cecil, West Coast Life, Manila, P. I.; Neil D. Sills, Sun Life, Richmond; James E. Woodward, vice-president Life of Virginia; Karl E. Madden, Penn Mutual, Davenport, Ia.; D. C. White, Metropolitan, Lancaster, Pa.; E. G. MacDonald, Equitable Society, Sheboygan, Wis.

Fifth row—O. Sam Cummings, Kansas City Life, Dallas, national president; C. J. Zimmerman, Connecticut Mutual, Chicago, national secretary; (above seated) G. L. Dyer, Sr., Columbian National, St. Louis; Adam Rosenthal, Connecticut Mutual, St. Louis; (standing) Ray Hodges, Ohio National, Cincinnati; Jack Lynn, superintendent of agents General American Life; Dallas Alderman, Kansas City Life, Kansas City; Frank Vesser, Reliance Life, St. Louis; L. E. King, New England Mutual, Topeka. (Below) P. B. Magruder, Metropolitan Life, president Richmond association; St. George Grinnan, Equitable Society, chairman program committee for sales congress; P. P. Duffey, Connecticut Mutual, president Richmond General Agents & Managers; John A. Witherspoon, John Hancock, Nashville.

MARCH EDITION

HOME MADE NEWS

Published by

HOME LIFE INSURANCE COMPANY

256 Broadway, New York

A

COMPANY OF
OPPORTUNITIESETHELBERT IDE LOW, *Chairman of the Board*JAMES A. FULTON, *President*

PRODUCER TO SUPERVISOR TO BRANCH MANAGER IS STEP-BY-STEP "CAREER BUILDING" OF PROVIDENCE MAN

THE MAKING OF A GENERAL AGENT

The success of Charles A. Murphy, Jr., of Providence is according to a well organized pattern designed by Home Life to bring Mr. Murphy (and men like him) forward to positions of greater responsibility. That pattern is found in a booklet—"The Making of a General Agent." You may wish to have a copy.

Write

C. C. FULTON, Jr.

Agency Vice President



Chas. A. Murphy, Jr.

Charles A. Murphy, Jr., of Providence, R. I., won recognition as a personal producer as an "All-Star" salesman of the Home Life in a contest sponsored by the Company's General Agents. Having demonstrated his ability to sell life insurance the Home Life way, his opportunity to direct new men in Home Life's Client Building methods came with his appointment as a Supervisor approximately one year after he came with the Company.

Still young and energetic, and anxious to continue his progress, he is now, (in his third year) a Branch Manager of Home Life in Providence.

Thus the Company of Opportunities added another chapter to its intensely human book of progress. The Company is progressing—its gain in insurance in force last year was 84% over the gain in 1936. Its average size policy was \$5,558. These facts mark sound, healthy growth, but they can be credited mostly to the energy and effort of its Agency Force. It is that urge within the personnel in the Home Office and in the Field to work for greater accomplishments that results in progress for the Company. Hence, with that realization, the Company points with ever-increasing pride to the thing that makes progress possible—expansion and advancement. The opportunity to advance is found in expansion, and Home Life will continue to expand because it will continue to provide greater opportunities for trained and ambitious men like Murphy.

THE WEEK IN INSURANCE

Mid-year meeting of national council of National Association of Life Underwriters is held in Richmond, Va. **Page 1**

Roger B. Hull, in Richmond address, makes strong plea for sustained public relations work. **Page 1**

Bill setting maximum policy loan interest rate at 4.5 percent on new insurance issued in future passed by New York legislature, awaits governor's signature. **Page 1**

New England sales congress held at Boston has highly practical program of selling tips by successful field men. **Page 2**

Powerful pence mandate is seen by President Wilson of A. L. C. in new life insurance sales, 110 billions in force in this country. **Page 3**

State of Texas entered by New England Mutual with appointment of Francis G. Bray as general agent with headquarters in Houston. **Page 6**

Five leading agents on program at tri-state sales congress held in Cincinnati. **Page 9**

Richmond, Va., sales congress draws unusual galaxy of speaking talent due to national convention being held there. **Page 7**

Dr. J. M. H. Roland, Baltimore Life, and Actuary C. A. Taylor of the Life of Virginia read interesting papers in Washington, D. C. **Page 13**

A. H. King, formerly of St. Louis, has joined the Frates Company, Tulsa, Okla., handling salary allotment and group insurance. **Page 13**



THEY FOLLOW THROUGH

Men frequently say "no" when they are first approached by a life insurance salesman.

But protection totalling millions of dollars has been acquired by such prospects because the agent patiently sat down at their home or office and changed their point of view.

Keep trying!



The Prudential
Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office, NEWARK, N. J.

New England Mutual Enters Texas; Bray General Agent

Development Planned in State After Lapse of Almost 50 Years; Houston Headquarters

Texas is to be entered April 1 by the New England Mutual Life after a period of almost 50 years in which the company has not operated there.

Francis G. Bray of Chicago has been appointed general agent and is to establish headquarters in the Shell building, Houston.



FRANCIS G. BRAY

The New England Mutual with the change will be operating in 39 states. This is a reentrance to Texas, as the company had offices in that state for a short time 50 years ago.

Mr. Bray is supervisor of the E. B. Thurman agency of the New England Mutual in Chicago. He was born at Batesville, Ark., and graduated from Culver Military Academy and Washington University, St. Louis. He immediately entered insurance work, for two years being in Texas with the Missouri State Life before being sent to Chicago to take charge of group operations in that area under Mr. Thurman, then manager. He continued there until 1929, establishing a fine record, then was assigned to eastern territory with headquarters in Pittsburgh.

In 1931 he was called to the agency department of the Missouri State home office, and in addition was placed in charge of sales of health and accident insurance throughout the country. Under his direction this department increased premiums more than 50 percent. In 1932 he became assistant manager of the Travelers branch office in Chicago, remaining in that capacity until 1936, when he went with Mr. Thurman as supervisor.

Mr. Bray has written much for publication, his article in "Life Association News" for last October on "Attitudes and Purposes" receiving wide attention. He also is a gifted speaker on life insurance selling and has appeared before many life underwriters associations and other insurance organizations throughout the country.

Mr. Bray has been active in life underwriters associations, is a director of the Chicago association. Last year he was chairman of the committee on the national essay contest, first prize being won by a Chicago girl. He is chairman of the committee on trust company cooperation in Chicago and has been largely instrumental in the recent organization of the Chicago Life Insurance & Trust Council. He is a member

of the committee on education of the Illinois Association of Life Underwriters. Mr. Bray is not only a skilled life insurance salesman, but is an authority on estate programming and tax matters business insurance, etc. He furnished two years ago material for an article on pension trusts which was published in THE NATIONAL UNDERWRITER and has been published for two years in the Diamond Life Bulletins as an authoritative analysis of the technical and sales sides of this little known life insurance arrangement for the benefit of employees in business and industry.

Mr. Bray plans to leave Chicago with his family next week. The quarters in Houston have been engaged, and intensive development of the state, working out steadily from Houston will be started immediately, probably with establishment before long of a number of district agencies in important centers.

Heath to Metropolitan as Detroit Group Chief

DETROIT—Forrest A. Heath, former superintendent of agents of the Kenneth Watkins Corporation, has been appointed superintendent of the group department of the Metropolitan Life in the Detroit district, with offices in the General Motors building. He retired from the Watkins organization after seven years as its superintendent of agents when the General Accident took over the corporation following the death of the late Kenneth Watkins.

He left Detroit at that time and took the five weeks' course of the Aetna Casualty in Hartford, then the seven weeks' course of the Metropolitan Life in New York in preparation for his present appointment. Before joining the Watkins Corporation he served in various capacities with the Michigan Mutual Liability for three years. He is now secretary-treasurer of the Detroit Accident & Health Association and will continue this affiliation, since group accident and health coverage is one of his responsibilities with the Metropolitan.

More Group Division Shifts Announced by Travelers

Further changes in its group division are announced by the Travelers. M. T. DeLevan, former district supervisor of the Cleveland office, has been appointed regional supervisor for the territory reporting to the Cleveland, Columbus and Erie offices, with headquarters in Cleveland.

Talbot O. Freeman, a member of the agency staff at the home office, is appointed regional supervisor for Connecticut and all territory reporting to the Albany and Springfield offices, with headquarters in Hartford.

Lowell F. Brown, assistant district supervisor at Toledo, O., is made district supervisor of the Toledo and Columbus territory, with headquarters in Toledo. J. G. Ryan, formerly field assistant in Detroit, becomes district supervisor for Michigan, with headquarters in Detroit.

Reviving Hartford Club

S. F. Withe, advertising manager Aetna Casualty & Surety; E. S. Anderson, advertising manager Hartford Fire, and K. R. Miller, Life Insurance Sales Research Bureau, have been named to the special organizing committee of the Hartford Advertising Club, which is undergoing a process of revival.

Another Lives to Age 96

LITTLE ROCK, ARK.—J. M. Stewart March 1 confused insurance actuaries by attaining his 96th birthday. Age 96 is theoretically the limit of life, and actuaries estimate only three per 100,000 will live to 95, and these will die in their 95th year. A. B. Hill, special agent Union Central Life delivered to Mr. Stewart \$8,000 on paid up life insurance which had matured.

National Leaders Address Richmond, Va., Congress

Big Convention There Furnishes Local Association Wealth of Celebrities as Speakers

RICHMOND, VA.—Increased sales activity was offered as a solution of the problem of what to do when business slumps by H. J. Johnson, general agent at Pittsburgh for the Penn Mutual Life, in a talk before the sales congress sponsored by the Richmond Association of Life Underwriters in connection with the midyear meeting of the National association held here. In periods of a let-down in business such as are now being experienced, he said, the tendency is to build up a defense attitude, when it should be just the reverse.

Mr. Johnson, vice-president and trustee National association, spoke at the luncheon-meeting of the congress the first day. He said in his agency January business was very good but there was a considerable falling off in volume in February. Members of his staff told him in the face of prevailing conditions good results could not be expected. Prospects had a waiting attitude and were much more difficult to close.

Surveyed Situation

Mr. Johnson conducted a survey and found sales presentations in February fell off 2.4 per man in a week. With an agency force of 60 men, he calculated there were 144 fewer sales talks. Slackened activity of his agents was in reality responsible for most of the decline in business volume.

He found in certain lines business was better than before the recession started, so he sent his men out to do their canvassing in those lines.

J. A. Witherspoon, general agent John Hancock Mutual, Nashville, Tenn., in a talk on "Prestige Building," urged agents to leave their rate books at home. "The thing to do is to reach the heart strings," he said, "and to get across the idea that you are the boys who put the money in the till when it is needed. Don't tell the prospect about 20 pay life and endorsement. Tell him about the good that the money is going to do."

Sam Cummings Talks

Changes and growth in insurance business methods, personnel and ethics were discussed by O. Sam Cummings, Dallas, Tex., national president. Importance of membership in the National association, he said, is seen in its cooperative work to eliminate twisters, part-time agents and other damaging and unethical types of underwriters, and in building up prestige for agents.

C. J. Zimmerman, Chicago, secretary National association, told the congress the recession has not hit the stability of life insurance, which, he said, had the most widely diversified and distributed investments in the United States.

Welcoming talks were made at the opening session of the congress by Mayor Bright and Commissioner Bowles of Virginia, president National Association of Insurance Commissioners.

Other Notables on Program

In a talk on "Minding the Gap," John W. Yates, National trustee, Los Angeles, and general agent Massachusetts Mutual, characterized life insurance as the great emancipator of want and the last line of entrenchment against insecurity. H. T. Wright, Chicago, associate general agent, Equitable of New York and National trustee, speaking on the outlook for 1938, urged agents to better their business by confidence and faith in the value of policies they sell.

Parks P. Duffy, Richmond general agent Connecticut General, and president general agents and managers association of this city, was toastmaster at the luncheon. Neil D. Sills, manager Sun Life of Canada and former national president, was toastmaster at a dinner-

dance in the evening. L. I. Held, Richmond, president, and other officers of the Virginia Association of Life Underwriters participated in the meetings and assisted in the entertainment of the visiting delegates to the convention. Philip B. Magruder, president of Richmond association, presided at the opening sessions of the congress, a special feature of which was presence of a number of agents listed among leading producers of Virginia Negro companies.

New Texas Association

A new association of life underwriters representative of Rio Grande Valley

area of Texas has been organized at Harlingen. The officers include F. H. Harrison, Seaboard Life, president; J. O. Harris, National Life & Accident, vice-president and George Allen, Jefferson Standard, secretary-treasurer, all of Harlingen. Directors are H. H. Johnson, Western Reserve, Raymondville; C. H. Hook, Connecticut Mutual, Edinburg; A. C. LaDuke, Southwestern, Weslaco; and Napper Davis, Volunteer State, McAllen.

The speaker was E. C. Andersen, educational director of the Connecticut Mutual, who has made a tour of leading Texas cities speaking before local associations and conducting schools for his

company. Among out of town visitors who assisted were G. A. Helland, Connecticut Mutual general agent, San Antonio; O. P. Schnabel, Jefferson Standard manager, San Antonio; Hugh Farrell, Texas insurance department; and H. B. Wernette, president, Corpus Christi Life Underwriters Association.

Mrs. Adela Wilson Dies

Mrs. Adela A. Wilson, mother of Howard S. Wilson, president of the Bankers Life of Nebraska, and widow of W. C. Wilson, former head of the company, who died in 1918, died at her home in Lincoln.

A FINANCIAL STATEMENT

for Agents

Measuring AMERICAN UNITED'S 1937 Brilliant Record

INCREASED
SALES 16.71%
OVER 1936

While all companies doing an ordinary life business showed an average increase in sales of 3 per cent in 1937 over 1936, AMERICAN UNITED LIFE'S sales pyramided 16.71 per cent or over five times as high as the average.

SURPLUS
GAIN OF
OVER 21%

The surplus of the Company made the phenomenal gain of approximately 21 per cent. The investment and mortality fluctuation funds were greatly increased as well.

HIGH
INVESTMENT
EARNINGS

American United Life has consistently earned for its policyholders one of the highest net incomes from its invested assets of any life insurance company. This figure was 4.46 per cent for 1937.

LARGE
GAIN IN
ADMITTED
ASSETS

American United Life's admitted assets increased to \$47,731,231.42. A gain of 4.29 per cent in only one year.

DIVIDENDS
TO BE
INCREASED
25%

For the year beginning April 1, 1938, the dividends to those holding participating policies similar to those now being issued by the Company will be increased 25 per cent over the 1937 scale.

- NOT FOR BANKERS
- NOT FOR POLICYHOLDERS
- NOT FOR HOME OFFICE OFFICIALS

No one pays much attention to the cold numerical figures appearing in a life insurance company's financial statement. Consequently in presenting this new type of statement American United Life is not telling that nearly 50% of the Company's invested assets are in government and municipal bonds, or that it ranked among the first 10% in size of all life companies in the United States—but instead, is showing significant facts that are of paramount importance to any agent who is desirous of building an agency all his own, operating directly under the supervision of the home office, with a contract that is universally recognized as one of the *best* and *most liberal* ever offered in the life insurance business.

American United Life is now opening new agencies, independent of those in larger cities, in many small towns and medium sized cities. If you're interested in a business future—don't delay longer getting the facts. Simply mail the coupon below.

AMERICAN UNITED LIFE INSURANCE COMPANY

INDIANAPOLIS, INDIANA

MAIL COUPON TODAY!

AMERICAN UNITED LIFE INSURANCE CO.,
Dept. NU-338, Indianapolis, Ind.

Gentlemen: Please send me without obligation complete facts about your Independent agency contract and what it offers.

Name

Address

City

County..... State.....



91st Annual Report Features Substantial Gains

New paid-for insurance in 1937 amounted to \$69,431,228. Compared with figures for 1936 compiled on a similar basis, this represents an increase of \$12,394,821 or 21.7%. Gains were registered in every country in which the Company operates.

Direct written insurance in force, excluding re-insurances, increased over \$10,250,000. Total insurance in force is now \$817,192,538, exclusive of deferred annuities.

Total assets stand at the all-time high figure of \$261,314,861, an increase of more than \$8.8 millions. Total liabilities, including Paid Up Capital Stock of \$1,000,000, amount to \$257,101,221. Unassigned Surplus is \$4,213,640.

Reserves held to meet policies now in force total over \$231,500,000.

Assets in the U. S. Branch of the Canada Life amount to \$62,994,794 and liabilities to \$60,761,211. The excess of \$2,233,583 includes \$250,000 deposited for the protection of United States' policyholders.

Payments to policy owners, annuitants and beneficiaries in 1937 amounted to \$23,514,630. Of this amount, \$15,649,158, or 66%, was distributed to living policy owners and annuitants.

The Canada Life

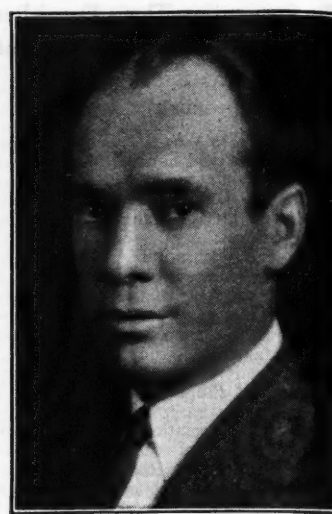
Established - 1847

49 YEARS IN THE UNITED STATES

Manufacturers Life Awards



PETER C. BURNS



WALTER GALLAGHER

TORONTO, CAN.—For the first time both of the trophies which the Manufacturers Life offers for annual competition among its 70 agencies throughout the world have been won by United States branches. A. Kinch, agency superintendent for the United States, announces that the "President's Trophy," awarded for the greatest all-round agency development, was won for the year 1937 by Saginaw, Mich., and that the "Cash Collection Trophy" goes to Philadelphia for having paid for the largest percentage of its issued business last year.

In 15 years of competition this is the first instance of a branch winning the "President's Trophy" two years in succession, Saginaw under the management of P. C. Burns also having won the award in 1936. Mr. Burns' territory, in central and northern Michigan, is largely rural and the representatives

have no big centers of concentrated population in which to work; neither do they achieve their production records by securing unusually large cases. The secret of the success is that each representative strives for "application-per-week" production and to secure a minimum of \$10,000 of new paid business each month—selling policies of medium size to the average man and not tinkering with jumbo cases.

Walter Gallagher opened the Philadelphia territory for the Manufacturers Life in September 1934. In its first full year, 1935, Philadelphia achieved sixth rank in volume of paid production and won the cash collection trophy, which now returns for its second sojourn in the Quaker City. The final standing for 1937 showed it in fifth place surpassed only by the South Africa, Chicago, Montreal South and Calcutta branches in paid volume.

Seven Qualifications Given

Home Life Conference Brought Out Factors Necessary to Be Used in the Personal Interview

ATLANTIC CITY—The first of two conferences of general agents from the eastern territory of the Home Life took place this week here. W. P. Worthington, superintendent of agencies, set forth the principles of attracting the right type of man to life insurance. He emphasized that to have a successful agency, a general agent must have the right man doing the right thing in the right way. It is important, said Mr. Worthington, that the qualifications of the right man be established in personal interviews. The seven qualifications which he deemed necessary are: (1) Fundamental enjoyment of the work of life underwriting; (2) ambition, and a need for money; (3) desire for security in the future; (4) exacting attitude toward type of business; (5) background, experience and personality conducive to success; (6) adaptability to training and amenability to supervision; (7) preparedness to grow with company and to take advantage of the opportunities offered.

This is the second of a series of regional conferences which are being held for the purpose of exchanging ideas and solving mutual problems of the general agents.

Consistent Testimonial Theme

Brought out at the regional meeting was the fact that life insurance can profit by the example of national advertising in keying the greater part of its advertising to a consistent testimonial theme. General agents reported that

the job of selling was conservatively estimated to be 25 percent easier through the use of testimonials in direct selling interviews; and agencies which had been concentrating on their use report a decided increase in business. The Home Life and its general agents believe that unsolicited testimonials from clients who have benefited from the "Planned Estates" service encourage interest, build prestige and make interviews more productive.

The use of testimonials both in selling and recruiting interviews is part of the campaign of Home Life to expand through attracting the right men to the life insurance business.

Patterson's 30th Anniversary

March 16 marked the 30th life insurance anniversary of A. E. Patterson, vice-president Penn Mutual, and his 10th anniversary with that company. He joined the Woods Agency of the Equitable Society in Pittsburgh in 1908 and later was called to New York to start an agency from scratch. He was so successful there that he was transferred to Chicago, where he built one of the country's major agencies. Ten years ago he took charge of one of the Penn Mutual's general agencies and repeated his success. In January, 1937, he was elected vice-president in charge of agency affairs of the Penn Mutual. Congratulations were received from the official staff and a floral remembrance from members of the agency department.

Thomas Russell, director of agencies of the Connecticut General accompanied by Mrs. Russell, was in Los Angeles during the week, on their return from a vacation spent in Hawaii.

Five Successful Agents Talk at Cincinnati Congress

Various Aspects of Selling Task Are Taken Up at Tristate Sales Conference

CINCINNATI.—A popular feature of the Cincinnati Life Underwriters Association annual tristate sales congress was a series of eight-minute talks by leading agents on different aspects of selling. W. T. Earls, New England Mutual, said time control meant simply working habits. Only 1 percent of agents fail because of bad health, he said, but 12 percent fail because of lack of knowledge, and 31 percent through lack of industry. He does two things to insure his working habits are of the right kind. He plans his work daily and keeps records of his monthly and yearly calls, the records showing to whom the sale is made.

Actual physical effort varies little from year to year, increased earnings coming from more efficient use of time, Mr. Earls said. In 1932, when he started in business, his calls averaged 9.4 daily, interviews 4.6, sales demonstration 1.2, average policy \$5,000, total sales 24. Last year he averaged 6.8 calls, 4.9 interviews, 2.2 sales demonstrations, average policy \$15,000, total sales 60.

Talks on Programming

J. C. McFarland, Ohio State Life, emphasized the fact that a \$1,090 policy with proceeds arranged to pay \$500 cash at death and \$50 monthly was as truly an example of programming as one involving \$100,000 insurance. He avoids use of the word "programming" when talking to prospects. To an architect, he says "survey," to a doctor, "diagnosis," to a merchant, "take inventory." All semblance of pressure should be removed when an agent is talking to a prospect and the prospect should be encouraged to talk about his own affairs. Mr. McFarland always telephones for an appointment before making a call. He said there were only three types of prospect, those not interested, those somewhat interested, or those who would be interested in future.

He uses a sheet of paper to write down the five purposes for which life insurance is purchased, giving him a "track to run on" and at the same time holding interest of the prospect. The purposes are: Cash, readjustment period, minimum income until youngest child is through school, income for wife for life, and retirement income.

Let the prospect do all the talking he'll do, Mr. McFarland said. The average agent doesn't want an interview; he wants an audience. The prospect should be given the courtesy of determining the time for the call, and Mr. McFarland encourages the prospect to talk about himself, to commit himself to a need. He cuts down the amount which the prospect thinks he will need, refrains from discussing the amount of insurance, talks ordinary life rather than investment, emphasizes the amount payable, and stresses the cash values at age 65.

Emotional Appeal

R. E. Denman, Pacific Mutual, stressed importance of ability to arouse emotions in others. The agent must forget his own emotions are deep. He should find the prospect's dominant emotion, such as fear of old age, and talk in terms of what the prospect wants. Mr. Denman said the prospect will keep what he wanted to buy. If he will pay for a 10 year endowment, it is better he have that than an ordinary life he won't keep.

The amount of business in force, at an all time high, would never have been sold had it not been for the energy of life insurance men, Burt Wulfkoetter, Massachusetts Mutual, said in a talk on "Educated Buying." However, there are far too many dead underinsured. A

prospect places his economic life in the hands of his life agent. Before he can do this, he must have confidence in the agent, who must be ready to render a real professional service. Reputation is built up in the professions only after years of hard study and apprenticeship.

An agent cannot make a specialist of himself, the public must do so, Mr. Wulfkoetter declared, after the agent has shown he has merited confidence through the development of himself and his service.

Urges Fact-finding

Fact-finding is one of the most important factors in the sale, said Charles Wible, Provident Mutual. A person does not take a long trip over an unfamiliar road without first getting a map, studying the conditions of the road, and watching the road markers when he is once on it. The agent similarly must collect certain data about his prospect, must justify his right to be in the presence of the prospect. He must tell, directly or indirectly, what he expects to do. He must ask questions on subjects on which he knows in advance it will be necessary to obtain information. Mr. Wible said he seldom asks in a fact-finding interview for policies for analysis. The agent should arrange to check

over the present insurance and arrange for a sales interview.

Service interviews are worth while only as a sales tool useful in getting to talk to the prospect, J. W. Austin, National Life of Vermont, said. Elimination of china eggs is important. An agent builds prestige by making the assured's premium dollar buy more. Mr. Austin uses a plain white sheet in service interviews upon which he jots down facts about the policy, the things he wanted to talk about which depend largely upon the office record. He may talk about insurance on the prospect's wife, policies in other companies, or adding accidental death or disability provisions.

Agents owe it to each other not to tear down another person's work, even if the program is not exactly what they would suggest, unless additional amounts are purchased, Mr. Austin said.

C. J. Zimmerman, Chicago general agent Connecticut Mutual, replaced Urban H. Poindexter, assistant director of agencies Northwestern Mutual, who was confined to his home by illness. Mr. Zimmerman was reached by telephone at Detroit, where he was making another address.

Prestige, said Jerome Clark, vice-pres-

ident Union Central, is a wonderful lubricant which overcomes all kinds of friction. Mr. Clark found in a survey made among his company's agents they were most interested in establishing prestige in the prospect's eye. There is no situation which cannot be influenced by prestige, he said. True prestige springs from knowledge, judgment, success and character. Clients more and more expect authoritative, reliable information. Time control is of vital importance because it insures an adequate number of interviews. A leading producer has more daily interviews as his production increases, rather than fewer interviews.

Two-Handed Job

Mr. Clark said selling life insurance is a two-handed job. The right fist delivers the knockout blows while the left holds the prospecting, selling interviews and time control.

O. Sam Cummings, president National association, asked how any one could be gloomy about a business that reached a 103-year peak in 1937 with 110 billions in force on 64 million policyholders. Yet not more than 7 percent of life values have been covered, he said.

A. W. Atwood, Washington journalist and editor, said it is difficult to conceive

Telling Points

— TERSELY TOLD —



TELLING POINTS
— tersely told —

How NWNL's Asset Dollar Is Diversified



IT COULDN'T HAPPEN
But If It Did—



It is, of course, inconceivable that all the policyholders of a life insurance company should, at one time, demand their maximum surrender values—guaranteed cash or loan values, dividends and policy proceeds left with the company, premiums paid in advance, etc.

If, however, NWNL had faced this impossible contingency at any time during the depression, the Company's bonds, sold at market prices, and cash on hand, alone would have been more than sufficient to have paid every such demand in full, leaving many millions in other sound assets untouched.

On December 31, 1937 the market value of NWNL's bonds and its cash on hand exceeded such demands by more than 25 per cent.

"TELLING POINTS"
is a booklet of facts about NWNL highlighting various phases of the Company's record in simple, visual style. The 1938 edition of "Telling Points," from which the pages here reproduced were taken, is now in the hands of NWNL fieldmen, who annually find it one of their most effective selling tools.

EIGHT SIGNIFICANT YEARS
Relative Rates of Growth



NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, President
Minneapolis, Minnesota

STRONG
LIBERAL

of a system where it is not advantageous to accumulate the reserves which life insurance provides. Life insurance is the most dependable security there is. It takes care of the family and has a \$40,000 inheritance tax exemption. Until there is a shift to absolute state socialism, "we need to make individual plans for the future," he said. Mr. Atwood was introduced by Abner Thorp, Jr., editor Diamond Life Bulletins, who said Mr. Atwood was the first man in the country to popularize life insurance through a general publication.

Chairmen of Committees

A round table discussion was urged between business, capital and labor, as the solution to current economic ills by F. H. Van Orman, former lieutenant-governor of Indiana, who spoke on "Whither Are We Drifting?" H. S. Hatfield, Northwestern Mutual, president Cincinnati association, presided at the morning session and G. W. Johnson, Northwestern Mutual, vice-president, was chairman in the afternoon. H. S. Mulford, Union Central, won a \$15 door prize and Edgar Richardson, Mutual Benefit, Lexington, received a Charley McCarthy doll. Attendance was over 300. Sales congress committee chairmen were Mr. Johnson, speakers; John Manss, Columbia Life, arrangements; A.

R. Jaqua, THE NATIONAL UNDERWRITER, programs; C. R. Weil, Northwestern Mutual, tickets; J. C. Benson, Union Central, attendance; Sid Marean, Union Central, publicity.

Consider N. Y. Industrial Bill at Hearing in Albany

ALBANY, N. Y.—A number of industrial life company officials attended a legislative committee hearing here on a bill to regulate industrial life agents contracts. C. G. Taylor, vice-president Metropolitan, while saying the Metropolitan would not be affected since it does not have agency contracts containing provisions complained of, urged the bill be referred to the code revision committee for study. He said it involves problems that cannot be given proper attention at the present short legislative session.

Mr. Taylor said the Metropolitan does not make any charge against agents for surrender of a policy for cash, nor for a policy lapsed after three years.

"We pay an agent a commission on business that is in force during the full year. We do not pay commissions on business that lapses during the first year," he said. There were times during depression when it was necessary for

a family to lapse some of its insurance in order to provide funds to carry the balance, Mr. Taylor said.

The bill, he felt, might encourage agents to advise surrender of old policies rather than newer ones. He said the restriction in subdivision 2 of the section that a company should not be prohibited from contracting with its agents to charge any agent a sum not exceeding commission on any policy written by the agent on the request of any one who has terminated a policy not more than three months before, or who terminates a policy within three months after such policy is written, is too low. He said six months or a year would be better.

Nebraska Sales Congresses

The Nebraska Life Underwriters Association announces that H. J. Cummings, vice-president and agency manager of the Minnesota Mutual Life; L. B. Pennywell of the Columbus Mutual Life and A. B. Olson, vice-president Guarantee Mutual Life, will be the chief speakers at the series of sales congresses to be held the week of April 4 at Fremont, Grand Island, North Platte, Omaha and Lincoln. Mr. Cummings appearing on two of the programs with the others speaking daily.

N. Y. Savings Bank Life Insurance Bill Passed

Goes Through Both Houses of Legislature at Last Minute by Good Margins

ALBANY, N. Y.—The assembly passed the Livingston savings bank insurance bill by a vote of 110 to 34. It had already been passed by the senate, 37 to 12, after a heated debate.

Expressing willingness to support a sound savings bank life insurance measure but condemning certain violations of sound insurance practice contained in the Livingston-Piper proposal even in its amended form, the New York State Life Underwriters Association, through the chairman of its general committee, S. L. McCarty, issued a statement reiterating the position it took in its resolution of Feb. 7 that if New York is to have savings bank life insurance it should be only on a sound basis.

The association objects to the bill on the ground that banks would not need to send premium notices to policyholders moving outside the state; that though there is a limit of \$3,000 per life there is nothing in the law to enable banks to determine whether more than \$3,000 is being bought by any one person; that, counter to the trend toward better qualified agents, the bill would permit establishment of agencies indiscriminately, the only qualification being approval of the superintendents of banking and insurance; and that nothing has been done to correct the undesirable proposal of having the state insurance department in the insurance business instead of being solely a regulatory authority.

In the latter connection, the statement pointed out that the bill would tend to destroy the American system of checks and balances, whereas substitution of an independent corporation established by the banks to issue life insurance would leave the insurance superintendent free to continue supervision of all insurance without the possibility of treading on the toes of any member of his department.

Leaders in the state association foresee complications in the bill's failure to make any provision for checking up on the violation of the \$3,000 per life limit, since the time honored insurance law and tradition is that coverage in force two years is incontestable. The association would insert a provision to the effect that any savings bank insurance above \$3,000 would be void except for return of premiums.

Cummings' April Schedule

From Vancouver, B. C., to Portland, Me., is the ambitious speaking schedule mapped out by O. Sam Cummings of Dallas, president National Association of Life Underwriters, for April. Concluding his far-western tour, which began March 15, Mr. Cummings will speak in Vancouver April 1, Salt Lake City April 4, Denver April 5, St. Louis April 18, going thence to Chicago, Elgin, Ill., Indianapolis, Des Moines and Davenport, Ia. His eastern itinerary includes Rochester, Schenectady, Boston, Portland and Providence.

James R. Duffin Dies

LOUISVILLE, KY.—James R. Duffin, 67 years of age, attorney and former president Old Inter-Southern Life, died early Wednesday at his home here. Born in Cincinnati, he was raised at English, Ind., and attended Central Normal College, Danville, Ind. He later was superintendent of schools and district state committeeman for the Democratic party in Indiana. He later lived at New Albany, Ind., before coming to Louisville.

Mr. Duffin built a big company out of the Inter-Southern. His control was lost to the Caldwell & Co. interests of Nashville. Funeral services will be at 2 p. m. Friday, with burial at Cave Hills.

\$9,000,000 INCREASE

in insurance in force during 1937. An increase of 7% above that for the preceding year or about 3% above the average for all companies. This increase is reflected in the incomes of our Field Force.

WE OFFER:

1. A liberal agency contract.
2. A plan for financing your agency.
3. Accounting methods to guide you.
4. Proven plans for finding—training agents.
5. A liberal financing plan for your agents.
6. A unique supervisory system.
7. Organized Selling Plan.
8. Unusually effective selling equipment.
9. Policies for every purpose: Regular—Juvenile—Women—Group—Payroll Savings, etc.
10. Low Monthly Premiums.

A \$212,000,000.00 Mutual Company, 58 years old with an understanding cooperative Home Office.

**THE MINNESOTA MUTUAL
LIFE INSURANCE COMPANY**
Saint Paul, Minnesota



Sales Points Given Gillette Agency at Gathering

Boileau and Woodward Discuss Effective Methods at Detroit Staff Gathering

DETROIT—Life insurance should be sold in army fashion, Wallis Boileau, Jr., Philadelphia, second vice-president Penn Mutual, told the Lee M. Gillette general agency of that company at a luncheon here. An army commander facing a battle considers five salient



WALLIS BOILEAU, JR.

points, he said: What his mission is, who or what his enemies are, what supporting troops he has to depend upon, what his plan of campaign will be, and his final decision on movements.

The life agent's mission is to distribute as widely as possible the great service life insurance can perform for its policyholders—and to make a living. His enemies are obstacles and objections. He should strengthen his answers to common objections raised by prospects and should conquer fear, which is doing much to stem the tide of progress in the business. This fear usually is based on incomplete knowledge of life insurance. "Remember that your prospect is more afraid of you than you can possibly be of him. Other obstacles are inaction on your part and the competition of other expenditures for the prospect's dollar."

Among supporting troops are the marvelous record of life insurance through depression years, ability of companies to meet obligations in full, their plan of investment management which safeguards funds, adaptability of life insurance to cover almost any need, training facilities offered by companies, prestige of company and great service for life insurance consciousness being performed by government through the social security plan.

He suggested as a plan of campaign greater use of the social security theme to motivate buying life insurance; use of direct mail advertising, use of salary savings plan, better prospecting plans and use of time control.

He urged the agents to decide they can do a good job of underwriting regardless of conditions—and then to go out and do it.

M. L. Woodward, agency manager Mutual Benefit, urged greater use of sales helps offered by companies, from which every agent should be able to get new enthusiasm and stimulation. Planning is a big factor leading to success that too many agents fail to utilize.

"If you come to the office in the morning with nothing definite to do, no one definite to see, you will do nothing," he said. "Remember, if you work hard, whether you sell a policy today or not, your payday is coming."

Every agent should learn to make sev-

eral attempts to close in each sales interview, he said. The close should be planned from the start and approached from several different angles.

Fight for prepayment, he urged. There is no time when an agent is in so fine a condition to sell as right after he has made a sale. He advised against resting on the oars after a sale. "Go right out after your next most likely prospect. Strive to sell every day. You won't make it every day but if you try to close one case each day you will find you have closed a lot more at the end of the year than you thought possible."

Effort to Change Premium Tax Basis in Ohio Fails

COLUMBUS—With the adjournment of the Ohio legislature, efforts of the Ohio department to secure an amendment to the law on taxing gross premiums of foreign insurance companies, failed. However, the legislature probably will be called back later to pass on relief legislation, and an attempt will then be made to have the amendment adopted. The proposed amendment strikes out the phrase "paid for reinsurance in companies admitted to do business in Ohio," and substitutes the words, "received for reinsurance, etc." Some companies have contended that the law in effect provides for double taxation.

Situation in California

In view of the decision of the United States Supreme Court in the famous Connecticut General Life case, the governor of California summoned the legislature in extraordinary session so that a constitutional amendment can be submitted to the people which would have the result of changing the premium tax base in the state from retained premiums written to direct premiums written. The governor estimates that unless the amendment is passed, the state will lose \$1,000,000 in revenue annually. The present law provides for taxation of gross premiums less return premium, less premiums paid for reinsurance. Under the Connecticut General Life decision, the reinsurer cannot be taxed upon the premiums it receives through the reinsurance route unless the reinsurance treaty was effected in California.

It is imperative, the governor's proclamation stated, that immediate action be taken toward proposing the constitutional amendment to the people for adoption next November. Unless the method for taxing insurance companies is changed as soon as possible, the loss exceeding \$1,000,000 per year will be continued for at least two years longer, according to the governor.

The amendment would provide for a tax of 2.6 percent upon the amount of the gross premiums, less return premiums, received upon business done in California other than premiums received for reinsurance and for ocean marine. There will be deducted from this premium tax the amount of taxes paid by a company on real estate owned by it in California.

The amendment would provide the taxes assessed prior to the effective date of the amendment and uncollected, shall be collectible. There is a strong retaliatory provision against states which impose more severe requirements on California companies or their agents than California imposes upon the companies and agents of such states.

The legislature March 11 passed a constitutional amendment and an amendment to the political code to support the former.

The Arkansas legislature, now in special session, is dealing with the same issue. No change in its constitution is required. New Jersey, too, has the matter before it. Legislation has been passed by the lower house and now awaits action by the senate.

The Kentucky governor has signed a bill to assess the premium tax on net, direct premiums written instead of upon net, retained premiums to overcome the effect of the Connecticut General decision.



SAY IT WITH PROTECTION!

CHILDREN say it with love—and faith! Mother says it in a thousand gentle day-by-day ways. It's up to you, don't you think, Dad, to say it a man's way—with *protection*? Give this vital gift—protection—to those you love. Make sure now—*today*—that your little family is safe, no matter what happens to you.

A Good Plan at Small Cost!

Our new Lincoln National Life Salary Continuance Plan makes this possible for a very modest deposit. Pays your family (not a lump sum—too often taken by the unscrupulous) but a regular monthly "salary" during the first bewildered years of readjustment, should you die. Pays *you* a life "salary" also, if you live beyond retirement age. This is a wise policy. A family policy. Safe, sensible, inexpensive. See your local Lincoln agent for full details. Or write us.

More than \$950,000,000 Insurance in Force

Reprinted from the March 12 issue of Saturday Evening Post

THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY



FORT WAYNE, IND.

ITS NAME INDICATES ITS CHARACTER

NEW ENGLAND CONGRESS IS PRACTICAL

action. The mechanics of the two are distinctly separate, he said.

Good trial lawyers won't win every case, but they expect to win any given one. Fine surgeons lose a patient now and then, but they have supreme confidence in themselves and their ability; they cannot visualize any logical conclusion but success. That is the crux of the entire question of mental attitude, Mr. Levy said. If they fail, it does not discourage them. They have resilience and bounce right back.

"This philosophy of success to my mind is just what makes life insurance men and women successful if they are successful, or failures if they are failures," he went on. "What makes up proper mental attitude? (1) Tempo: That is, seeing the right man at the right time at the right place on the right idea. I don't care how effective a message we have or how smooth our delivery is, if we are seeing the wrong man, or if there just isn't need, or if it is the wrong time and place, we might just as well save our breath.

"(2) Resourcefulness: The ability to think on one's feet and to turn an adverse situation to one's advantage. For

example, I believe that we can all add substantially to our business by closer cooperation with lawyers. I go on the premise that a good lawyer knows as much about law as a good insurance man knows about insurance, and if I find myself on a spot where the prospect's lawyer is making things difficult, I try not to be stampeded. After all, a man's attorney is in most cases his confidant, and whether the objections that I must overcome come from my prospect or from his lawyer, I try to meet them as intelligently as possible, and thereby gain the lawyer's confidence.

"If I once do that, I have not only eliminated a threat, but have probably gained a valuable ally. I find that the best way to do that is not to argue, which is always futile, but to be conscious of the fact that the lawyer is probably trying to maintain prestige in the eyes of his client just the way I am.

"(3) Confidence: The confidence born of adequate preparation as typified by organized sales talks. After all, organized sales talks are only crystallized ideas which have already brought results.

"Somebody once said that the main

difference between a big producer and a small one is that the big producer knows what to do and does it, and the small one knows fully as well what to do, but just doesn't do it. Well, one of the things certainly not to do is talk too much, and organized sales talks definitely curb this tendency. The essence of organized talks is their simplicity.

"No talk is worth anything unless it is delivered with a degree of aggressiveness, by which I mean persistent enthusiasm. All this talk about aggressiveness leading to high-pressure and unhealthy selling is just plain hokum, in my estimation. They are just excuses we use for not going back. Personally, I will go back to see a man as often as I have an idea for him. I don't care what a man thinks of me today or how much of a pest he thinks I am as long as he has reason to be thankful some day that he met up with me.

Aggressiveness in Getting Settlement Is Desirable

"I believe that aggressiveness is a great help in getting settlement on binders, which is to my mind a tremendous advantage in the placing of additional business. After all, a prospect becomes a client only while he is making out a check. As soon as the ink is dry, he is immediately a prospect again for any other idea which fits his specific picture. After all, programming a man's insurance estate is not like selling a safe or a locomotive. One man probably will buy only one safe during his business career, but he will buy as many different life insurance policies as he has the need for. And again, trying to place additional is a fine way to conserve your own business.

"It is my opinion that we can never be sure of our prospect's saturation point, and we are much more likely to under-estimate his ability to pay than to overestimate it.

Accomplishment Is Best Evidence of Prestige

"The final factor in mental attitude is prestige, and there is no prestige equal to that of accomplishment. Men like to do business with successful men, and better yet, they like to talk about it just the way they like to talk about their doctor or their lawyer. Enthusiasm is infectious, and it is particularly important at a time like the present. Ralph

Virginia Department Gets Independent Status

RICHMOND, VA.—Incorporated in the newly enacted Virginia agents licensing law is a provision enhancing the position of the state insurance administrator. Heretofore he has been "insurance superintendent" under the commissioner of insurance and banking. Now he becomes "insurance commissioner" and the department is a separate unit from that of banking, under the state corporation commission. The change becomes effective 90 days after the passage of the law. George A. Bowles, who is president of the National Association of Insurance Commissioners, will become the first "insurance commissioner" of Virginia.

Engelsman said last week that a recession such as we are passing through is a direct challenge to creative salesmanship; not only doubling but redoubling our thinking about what we say and do and our efforts to sell.

"Careful thought may result in a word or phrase or a gesture which may be responsible for many sales, but certainly a period like the present is a fine spot to develop our natural resources as sellers, because after all, the sale is closed not in the mind of the prospect, but in the mind of the salesman.

Harold P. Cooley, general agent New England Mutual, Portland, Me., gave his fine talk on his selling formula $C + 1 + \frac{1}{2} + \frac{1}{4}$. This translated means cleanup cash fund, plus continuation of present income to family for one year after policyholder's death, plus one-half present income to maintain the family after the policyholder's death during the educational or family development period, plus one-quarter the income to the widow thereafter during her lifetime. This formula, he said, is not a cure-all, but is well fitted for programming the estate of the "forgotten" man, who is married, between 25 and 45, earning \$2,000 to \$5,000 a year.

Craig G. Kennedy, prominent Wichita, Kan., producer, with the Northwestern Mutual, was "guest editor" of the Wichita Beacon on March 13.

State Life Highlights of Splendid Progress

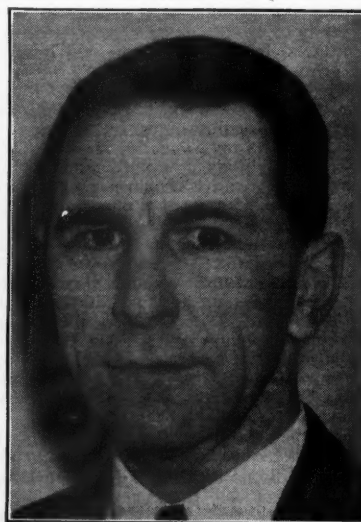
THE STATE LIFE of Indiana made splendid progress in 1937 . . . New Insurance paid-for increased 5% over 1936 . . . Insurance in Force made a gain to over \$193,000,000 . . . Income exceeded disbursements by more than \$1,300,000 . . . The Bond Account increased to \$5,550,000—no railroad or public utility bonds held, and no bond in default . . . Over \$2,300,000 new mortgage loans made, bringing total to \$16,000,000 . . . Mortality again favorable—under 58% of the expected . . . Payments to Policyholders and Beneficiaries for 1937 over \$5,000,000—\$2,750,000 to living policyholders—and total of these payments carried to \$116,000,000 . . . This Company of Strength, Security, and Progress continues to serve faithfully in its Forty-fourth Year . . . 1938 offers agency opportunities if qualified.

THE STATE LIFE INSURANCE COMPANY

Indianapolis
Indiana

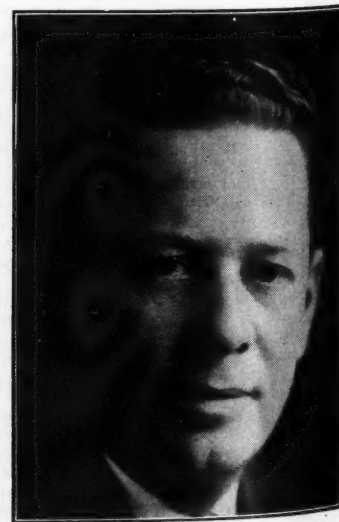
FORTY-FOURTH YEAR . . . OLD-LINE MUTUAL

Two Supervisors Are Named



GLENN A. STEARNS

Two appointments in the agency department have been made by the Union Mutual Life. Glenn A. Stearns, who has been connected with the home office as supervisor, has been promoted to supervisor of agencies with supervision over New England territory. William W. Malcolm of Hartford has been named supervisor of agencies, with supervi-



WILLIAM W. MALCOLM

sion of the New York state agencies and western agencies.

Mr. Malcolm for ten years was in the manufacturing and sales end of the paper business. He joined the Hartford branch of the Travelers and for eight years was in supervisory work there. For the past year he has been connected with the Sales Research Bureau.

Interesting Papers Given at Medico-Actuarial Meeting

Dr. J. M. H. Roland, medical director of Baltimore Life, presented a paper, accompanied by slides, on "Personal Comments on Pregnancy in Life Insurance Underwriting," at a joint meeting of the Middle Atlantic Actuarial Club and the Middle Atlantic Life Insurance Medical Directors Club, held in Washington, D. C.

Dr. Roland stated that the purpose of his paper was "to throw whatever light we may on the question of whether the pregnant woman is a desirable prospect for insurance." Tabulations for various age groups, separating white and colored, compared death rates of females in general with death rates among pregnant women. Bureau of Census Reports for the U. S. at large were compared with reports for Maryland, a largely urban state, and the advantages of well conducted pre-natal clinics were brought out. The conclusion reached was that companies could afford to insure pregnant women, charging an extra single

premium the amount of which would be determined by various factors entering into each individual case.

Another instructive paper, on "Mortality Tables in Life Insurance," was presented by C. A. Taylor, actuary of Virginia. He pointed out current troublesome misunderstandings of mortality tables, stressing particularly the fiction of the statutory valuation mortality table. He stated that "these obsolete tables produce reserves and require surrender values that are within our reach, and in spite of the fact that they obstruct development occasionally, they present no substantial troubles, provided their role is really understood."

Mr. Taylor especially decried the misleading conclusions that could be obtained from the convention blank gain and loss exhibit through the use of the valuation mortality table and he warned against the tendency to place too much confidence in the ratio of actual to expected mortality, per se.

Southland Merger Effective

Something About Men Who Are Leading Factors in the New Organization

DALLAS—Merger of the Gulf States Life and the Southland Life into a new and larger Southland Life was formally completed this week when the offices of the Gulf States were moved into the Southland Life building and the new officers took charge. The new company is headed by A. Morgan Duke, formerly head of the Gulf States.

In addition to officers announced last week, Paul V. Montgomery, formerly vice-president and actuary of the Southland, becomes actuary of the new company; Col. W. E. Talbot, agency director, and Lorry A. Jacobs, director of public relations, positions they held with the old Southland. The executive committee of which H. L. Seay, Sr., formerly president of the Southland, is chairman, has named the following to the finance committee: J. E. Owens, chairman; A. Morgan Duke, vice-chairman; H. R. Mitchell, H. L. Seay, Sr., J. W. Carpenter and W. C. McCord. The roster of junior officers will be announced later.

Duke Is Driving Force

The driving force behind this merger, which results in a company with more than \$185,000,000 of insurance in force and assets in excess of \$28,000,000 is Mr. Duke. Just 46 years old and a native of Tyler, Texas, he is the son of a life insurance company executive and has been in the life insurance business all of his life. The chain leading to the new Southland Life was started in 1929 when he organized the Trinity Bond & Investment Corporation.

In August, 1932, he organized the Trinity Life of Fort Worth, which acquired the old Harvester Life of Dallas and later acquired and merged with the old Gulf States Security Life of Dallas, the combined company taking the name of the Gulf States Life. Also in the last three years he and his associates purchased the Commercial Standard, a casualty company of Dallas, and moved it to Fort Worth, where it now is domiciled.

Life long associate and business partner of Mr. Duke is B. A. Donnally, executive vice-president of the Southland, the same position he held with the Gulf States. Mr. Donnally is a native of Monroe City, Mo. He began his career in insurance as an agent 18 years ago and later became district manager and then state manager. He assisted in the organization of and was secretary-treasurer

and a director of the Trinity Bond & Investment Corporation and upon formation of the Trinity Life was named its secretary and agency director. He became executive vice-president of the Gulf States.

J. W. Carpenter, chairman of the board, has long been associated with public utility interests of Texas and now is president of the Texas Power and Light Company. H. L. Seay, Sr., has been associated with the Southland for 25 years and is one of the best known life insurance executives in the country, having been president of the American Life Convention. He has been in ill health for several months but will continue in active association with the company as chairman of the executive committee.

H. R. Mitchell, vice-president, is president of the Employers Casualty and the Texas Employers of Dallas. John E. Owens, chairman of the finance committee and vice-president, is vice-president of the Republic National Bank of Dallas. Clarence E. Linz, vice-president, was long associated with the old Southland as vice-president. Mr. McCord secretary, was formerly secretary and actuary of the Gulf States. Harry L. Seay, Jr., treasurer, held that post with the old Southland. Paul Montgomery, actuary, had been vice-president and actuary of the old Southland since 1923. Mr. Jacobs had been director of public relations for the old Southland for ten years.

Mutual Benefit Convention

More than 250 agents of the Mutual Benefit Life have qualified for the 1938 convention to be held on April 6-8 at the Edgewater Gulf Hotel, Edgewater Park, Miss. Chairman of the agents' committee on arrangements is C. E. Brewer, Jr., New York City. Other members are F. H. Morris of the Cook agency, Chicago, and Tyler Sawyer of Milwaukee.

Outstanding features of the program are three panel discussions on programming and settlement options, prospecting and handling objections which will replace the usual convention speeches.

It is expected that about 500 persons, including wives, general agents, supervisors and home office officials will attend.

Lee J. Dougherty, vice-president Occidental Life of Los Angeles, in charge of its midwestern activities with headquarters at Davenport, Ia., was a visitor in Chicago this week.

Fred C. Williams, ex-president of the Lincoln (Neb.) Life Underwriters Association, has been elected president of the Lincoln Council of Social Agencies.

Another dramatic full page on the Family-needs Forecast... appearing in March 5, Saturday Evening Post and March 14, Time.

The FAMILY-NEEDS FORECAST makes the underwriter's diagnosis truly professional

WHAT the X-ray is to medicine, the new Family-needs Forecast is to life underwriting.

With this unique tool, Union Central men are able to show a prospect *precisely* what his family's vital needs are going to be... are able to evaluate, almost to the dollar, how far his present insurance will go in caring for those inescapable needs.

With such an accurate diagnosis to go on, the underwriter can prescribe *with authority* for the future. The proof that these prescriptions carry weight with prospects is shown in the steadily mounting sales of Union Central representatives.

The UNION CENTRAL LIFE Insurance Company
CINCINNATI, OHIO

National Mid-Year Meet Has New Pattern

(CONTINUED FROM PAGE 1)

to give complete facts about the all-expense tour to Mexico City following the convention and a skeleton outline of convention activities was presented. There is to be an extra session at Houston. Instead of having Thursday afternoon free for recreation, there will be two seminars. The convention entertainment by the local hosts will be given Thursday evening and will consist of a Mexican fiesta.

Cummings Opens Session

President Cummings opened the session Saturday morning and proceeded to give his mid-year message.

He referred to the growth of the organization since its new structure was adopted in 1933. In that year membership totaled 18,750. In June, 1937, there were 26,854, a gain of 44 percent in the period. The number of local units increased from 258 to 312 today and the number of state associations from 17 to 31.

Mr. Cummings declared he is moved by the savings bank life insurance agitation to advocate the setting up of a "central agency" to disseminate correct information about insurance and the agency system. Such an agency, he suggested might be a department of some existing organization or a new enterprise financed by the companies. The agency would produce publicity releases, provide speakers for various types of meetings and have on the staff one or two full time speakers, who would be on the road most of the time.

Importance of the Individual

"The really important factor in association work is the individual member," he declared. "The whole program of the association is designed for him and the things about his work, his clients, his company, and the institution. Agents created local associations. Local associations created the National association and the state associations. The danger in every growing organization, such as ours, is that we come to worship the machine we have erected. The emphasis must be on the humanics rather than the mechanics.

"The apparent values in the National association are those which the member hears, sees, feels, and about which he acts in his home association. He hears an informative talk at a meeting of his association. He hears reports of constructive activities in which he did not personally participate, such as the report of his local committee on legislation which has just returned from a conference with a committee of the legislature of his own state. He sees the highway safety signs or posters erected by the safety committee of his association. He feels a new inspiration to service to his fellow men, to personal achievement, and to a higher standard of conduct in his work. He personally participates in a great association activity as a member of the committee on the Annual Message of Life Insurance to the Public. He is a member of a class in life insurance salesmanship conducted by his association. He hears, sees, feels and acts about his trade organization in his home association, hence the emphasis in this important gathering on local association work.

"It is my earnest desire that this administration be characterized by a searching investigation, careful planning and aggressive promotion.

"Let's be willing to challenge our policies and practices which unusual growth may have rendered archaic, and to make such modification as may be necessary.

Recalls Ten Objectives

"I selected ten general objectives for this administration. With the assistance of Vice-president Johnson and Managing Director Hull these objectives were phrased for publication, and the widest possible distribution has been made of the leaflet in which they have been

printed, along with our constitutional objects. Objectives 1, 2 and 3 are related to the business of life insurance; Objectives 4, 5 and 9 are related to life insurance selling and field representation; Objectives 6, 7, 8 and 10 are related to our own organization.

"In our objective on publicity (dissemination of sound information) is inserted information regarding not only life insurance, but its field representation. There is a continuous need for the dissemination of correct information concerning the nature, scope and importance of the work of agents.

"If there ever was a time when we should stress the responsibility and opportunity for cooperation between our organization and the companies, this is the time. That is a major feature of our third objective.

"The National association needs the American College but it is also true that the American College needs the National association. I am hopeful that in the leadership of our special committee on cooperation with the college and National Chapter, C. L. U., we can increase interest in the American College and its work of promoting higher standards of preparation for life insurance selling.

Agency Practices Agreement

"I consider the effort to improve agency practices through the promotion of the agency practices agreement, its adoption and application, as a major objective of this administration of our organization, as it has been a major objective of two preceding administrations. At the meeting of your trustees on Dec. 1, support of the agency practices agreement, exactly as originally drafted, was affirmed. This is a long-term project. We will diligently promote it this year.

"We have been confronted with a distinct threat to the agency system in the further expansion of savings banks life insurance. We have been vigilant to

represent the interests of both policyowners and agents. The spread of savings bank life insurance, regardless of what other demands it may make upon our services, is a challenge to examine our qualification to render a needed, proficient and acceptable service to the American people; a challenge to underwriters and companies alike to make the public conscious of the exclusive service the qualified underwriter is prepared to render.

"The remarkable success of life companies in this country is due in no small part to the agency system. If we are prepared to render and are rendering a needed service, our best defense against encroachments of governmental schemes and the entry of other lines of business into the life insurance field—if defense be needed—is widespread dissemination of correct information concerning the functions of the agent, and the manner in which the qualified agent is prepared to discharge his responsibilities in service to his clients.

Not Too Alarmed

"To those who are alarmed, who would have us believe that because of these new ventures in the field of life insurance the agency system will collapse, I have only to say that, in my considered opinion, potentially serious as the threat may be, proper vigilance and activity on our part, with needed support by the companies and the support of thousands of policyowners who properly evaluate legal reserve life insurance and who decry the encroachments of government into the field of business, the public will, itself, discriminate between the services we are prepared to render and the plan offered by state subsidized schemes.

"One of the most significant developments in our business has been the co-operative movement among general agents and managers. Since this move-

ment has been crystallized under the leadership of the National association, a significant part of our program has been the work of the General Agents' & Managers' Section.

"We will make, in 1938, with the cooperation of our state associations, a carefully planned effort to build new associations in every community in which we believe one can be permanently maintained. Our goal is 50 new associations for this year. We are getting our state associations to recognize the importance of a well-rounded program as distinguished from over-emphasis upon one or two features.

"We will make a special effort to have every local association represented by at least one member at Houston.

"We are planning through the committee on conference on local association problems, which we are recommending be changed in name to the committee on local association administration, a series of training conferences for local association leaders to be held in July under the auspices of our state association in the states that now have state groups.

"I appointed a special committee on inter-association meetings. It is urging each local association to participate in at least one inter-association meeting with a neighboring association, if at all possible, during this administration.

MANAGERS SECTION

"In order definitely to relate the general agents and managers section to the National association, our organization began four years ago recognizing the leaders of the section by naming those so elected as the committee of general agents and managers of the National association. Heretofore, no publicity was given to that process. In order to more fully recognize the importance of the general agents' and managers' section I have this year named the members of the executive committee of the section as members of our special committee on general agents and managers. In order to continue this relation to the National association, and to continue the recognition of this relation, I am recommending to the committee on by-laws that at an appropriate time they submit an amendment designating this as a standing committee.

"Upon my recommendation, the committee on finance submitted to the trustees at the meeting Dec. 1 a statement of functions and policy of the committee on finance for consideration and action. With the adoption of this statement we laid the first recorded foundation of policy and procedure, consolidating the sound practices that have been followed for many years, and new sound procedures that have been found necessary by other organizations.

Stabilizing of Membership

"With the probable stabilizing of our membership in the near future, even more careful planning of our financial structure will be necessary than during these recent years of rapid growth and rapid increases in income. I have urged that we anticipate this stabilization of membership and income in our approach to every proposed expenditure. That expansion of our program and inner growth of our organization will lead to new allocations of the funds is inevitable.

"One of the objectives is the improvement of procedures at national headquarters. Certain additions in personnel and of physical equipment have been made. We have a business office of which any life company or agency could well be proud.

"An administrative objective has been the appointment of board committees on policy. I have named to these committees two or three members of the board.

New York Association Banquet



At the annual banquet of the New York City Life Underwriters Association:

(Top)—Basil S. Collins, assistant vice-president Old Colony Trust Company, Boston, speaker of the evening; A. V. Youngman, associate general agent Mutual Benefit Life and president New York Association, toastmaster; John Mulholland, magician, who entertained the gathering; Lloyd Patterson, New York City general agent, Massachusetts Mutual Life, and V. P. Whitsitt, general manager of the Life Presidents Association.

(Bottom, left)—General Agent J. M.

Fraser of the Connecticut Mutual Life in New York City and his brother, P. M. Fraser, executive vice-president of the same company, and formerly its general agent in New York. General Agent Fraser was host at a reception in honor of his brother preceding the New York association's annual banquet, it being Vice-president Fraser's 46th birthday and his 20th anniversary with the Connecticut Mutual.

(Bottom, right)—A. E. McKeough, Penn. Mutual Life, president Chicago Life Underwriters Association, and John J. Gordon, New York City general agent Home Life of New York.

The studies that they make are for the information of the board, and only after the board has acted upon their recommendations does the information go to the organization as a whole. Board committees are committees on policy, as distinguished from our standing and special committees that are committees on program. Thus far I have appointed board committees on convention procedure, cooperation with other organizations, fraternal organization members, and women underwriters.

"I appointed another board committee to plan the program for the two days of the mid-year meeting."

COMPENSATING AGENTS

"It has been my definite conviction that our most serious field problem existed in the method of compensating agents. On one hand we are seeking to raise the standards of life underwriting and the selection of better qualified persons and are trying to improve field conditions by such devices as the agency practices agreement, whereas, on the other hand, the average life underwriter hardly makes a decent living. The depression brought this problem definitely to a head. Not only did the depression adversely affect the income of present agents, but it has made it increasingly difficult for companies and agencies to recruit new agents. Depression conditions also led certain companies to adopt policy forms and commission schedules that have the effect of reducing the income of agents."

"At the very foundation of our field problems lies, in my opinion, the problem of agent's compensation. Not a single company executive with whom I have conferred in confidence in the last five years has failed to agree with me that something must be done to sufficiently alter our plan of compensation to give our average agent a decent living income, or all of the effort we put forth to improve field conditions will go for naught. Not a single general agent or manager with whom I have conferred in confidence in the same period has failed to agree that some change seems necessary."

Research Work Started

"Instead of dropping this problem in the laps of the companies, with some specific proposals, I deem it essential that we engage in diligent research and carefully study the data assembled before we make any definite recommendations. In naming a committee to direct this research, study the data assembled and prepare recommendations, because of the character of this new project I felt it wise to assume the chairmanship personally. I named to serve on the committee, representing the board, Holgar J. Johnson and Ernest W. Owen. From the managers' section executive committee I named Frank Summers, who is also a member of our board, Chairman Phil Hobbs of the general agents and managers' section, and Sidney Wertimer, a member of its executive committee. The committee has already held one meeting, with Mr. Hull in attendance. The necessary research has been started, and will continue."

Life Agency Officers

"I am hopeful that the Life Agency Officers' Association will accept our suggestion to appoint a similar committee to conduct research, study the data they assemble, and formulate recommendations on this subject. If such action is taken, our committee will hold itself in readiness to meet with them jointly if they invite us to do so."

"Fortunately I arranged to give my entire time to the work of the National association for the 13 months of this administration. Every waking hour has been required to discharge the responsibilities imposed by the character of the program undertaken. Including this trip to Richmond I have now traveled 28,650 miles, filling engagements in 17 states, and through the invitations of our friends in Canada, in two provinces. I

already have definite engagements scheduled during the balance of March, April and May that include engagements in 23 additional states and another province. My schedule, therefore, covers 40 states and 3 provinces, and involves travel of approximately 50 thousand miles. My travel itinerary for the balance of this administration is completed, and no other invitations can be expected."

Zimmerman Explains Program

C. J. Zimmerman, Connecticut Mutual, Chicago, the association secretary, who had planned the mid-year meeting program, explained the ideas which the committee had pursued in shaping the meeting. Instead of, as in the past, devoting the day to a series of committee reports, the committee decided to have material of particular use to local associations. Hence Mr. Zimmerman had some of the committee chairmen merely take a bow, including: John A. Witherspoon, John Hancock, Nashville, business standards; Phil B. Hobbs, Equitable Society, Chicago, general agents and managers; John W. Yates, Massachusetts Mutual, Los Angeles, cooperation with American College.

Holgar J. Johnson, Penn Mutual, Pittsburgh, the association vice-president, gave a discussion on association

administrative problems. He emphasized the importance of having as directors persons that represent the membership and that function actively. Too often men are elected to the board as a means of giving them recognition.

Administrative Talent

The officers likewise should be selected on the score of administrative talent. They should not be elected merely as a reward for "faithful service."

He mentioned that some associations undertake to insure continuity of administrative authority by having officers advance through various grades, for instance from second vice-president to first vice-president and then to president. The danger in that system, according to Mr. Johnson, is that some ambitious members might be discouraged from manifesting initiative because the reward of office is too distant.

The association secretary, he said, is the liaison officer with the National association.

The treasurer should be a man, Mr. Johnson asserted, who can develop "financial consciousness" in the association. Frequently the president, eager to make a record, will embark on expensive ventures. Unless there is an "administrative treasurer" who has his eye

on "financial sources," the association may get into a financial jam under such a president.

Frequently an association can take on new life merely by having some standing committee that has been inactive, get into action. This is a means of initiating a new activity.

Inasmuch as the success of an association depends largely upon the cooperation of general agents and managers, the general agents and managers committee is extremely important.

There must be, according to Mr. Johnson, a group that has constantly at heart the continued success of the association by making sure that leadership is always developing.

Roger B. Hull, managing director, took issue with Mr. Johnson, saying the national committeeman rather than the secretary is the liaison officer with the National association. Mr. Johnson replied that both may very well stand in that capacity.


R. U. Darby, Massachusetts Mutual, Baltimore, inquired whether the national committeeman customarily attends directors' meetings. Mr. Johnson said he is usually invited to attend but rarely exercises the privilege.

A delegate from Durham, N. C., said the Durham association has as chairman

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Toledo association was urged to stage a dinner for these legislators. Such an event was conducted and proved successful. The same thing can well be done by all associations. It not only gives the insurance men an acquaintance with the legislators, but enables them to sell insurance to the legislators. This produces the impression upon the legislators that the agents constitute a respectable element in the community.

Agents in one state should take an interest in legislation in other states. Unfavorable legislation is "catching" he said.

Mr. Johnson turned the meeting back to Mr. Cummings.

The election of the nominating committee was conducted. Mr. Cummings placed in nomination these 15:

J. C. Hardin, Kansas City Life, Roanoke, Va.; W. H. Andrews, Jr., Jefferson Standard, Greensboro, N. C.; Charles Axelson, Northwestern Mutual, Chicago; Alex. Dewar, Equitable Society, Los Angeles; O. D. Douglas, Lincoln National, San Antonio; A. Leroy Johnson, Sun Life, Jacksonville; Lyman E. King, New England Mutual, Topeka; W. M. Later, John Hancock Mutual, Peoria, Ill.; Karl E. Madden, Penn Mutual, Davenport; Roderick Pirnie, Massachusetts Mutual, Springfield, Mass.; Earl Schaeffer, Fidelity Mutual, Harrisburg, Pa.; George Smith, New York Life, Boston; Steacy E. Webster, Provident Mutual, Pittsburgh; Frank H. Wenner, Connecticut Mutual, Utica, N. Y.; Fred Zweifel, Equitable of Iowa, Toledo.

Dallas Alderman, Kansas City Life, Kansas City, officiated as chairman of the elections committee.

CONVENTION PLANS

There was distributed a pamphlet in rotogravure, giving facts about the arrangements for the Mexican trip following the Houston convention and including an outline of events during convention week. On Monday, Sept. 19, there will be an early morning meeting of the trustees. The national council is scheduled to convene at 10 a. m. and the women's quarter million dollar round table dinner will be held that evening.

Tuesday morning the million dollar round table members will get under way with their usual breakfast session; the women underwriters division will start off in the morning as will the general agents and managers section.

Functions on Tuesday

There will be a luncheon Tuesday of the directors of the National Chapter C.L.U. and the women underwriters will have a Dutch luncheon. In the afternoon, the women's division, general agents and million dollar men will continue their sessions. That evening there will be a dinner meeting of the directors of the American College and there will be a public meeting in the Coliseum sponsored by the Houston association. The public meeting was a successful innovation last year in Denver.

Wednesday morning the first general convention session will be held. At noon, the supervisors will have their luncheon and the annual meeting of the National Chapter C.L.U. will take place at luncheon. Wednesday afternoon there will be two seminar sessions for the convention as a whole and at 4:30 p. m. the national council will have its second session to vote on officers and select the place of the next meeting. That evening there will take place the annual dutch dinner of the National C.L.U. chapter and later in the evening will come the president's reception and ball.

Thursday morning there will be a general convention session and there will be two more seminar sessions that afternoon. Thursday evening will come the local entertainment. There will be a general convention session Friday morning and the final feature will be a fellowship hour at noon Friday.

At the meeting of the trustees which lasted an entire day, the full reports of the various committees were studied. These reports had been mailed to mem-

bers a week ahead. Those attending the national council meeting the next day got a glimpse of certain portions of the reports.

C. Vivian Anderson, in his full report as chairman of the committee on law and legislation, explained what had been done regarding the so-called Loneragan amendment that would exempt from tax the proceeds of insurance definitely earmarked for the payment of federal inheritance taxes.

Representatives of the National association had a conference with Roswell Magill, under-secretary of the treasury. He expressed the belief that the amendment should not apply to old insurance and should probably apply only to the difference between the cash value and the face value. The first suggestion was ruled by the life insurance people as being out of the question because it would induce twisting.

Loss of Revenue Too Great

Mr. Magill took the position that the loss of revenue on the passage of such an amendment would be too great; that very few estates would be thrown into insolvency because of forced liquidation inasmuch as the extension of time to meet the taxes can be granted for a period of eight years and that the problems of administration would increase to such a point that it would be virtually impossible to administer an estate where insurance is being earmarked for taxes without involving additional cost in settlement.

In view of the position of the treasury department, Mr. Anderson stated it seems advisable to enter into a campaign of education with leaders in the house and the treasury department to win them over to the position of the National association. Mr. Anderson pointed out that a large number of persons have already divested themselves of incidents of ownership in their insurance and a large amount of the new insurance being purchased for tax purposes is written in such a way as not to be part of the insured's estate. Mr. Anderson contends that the increased difficulties of administration can be eliminated by setting up insurance trusts instead of making the insurance payable directly to the treasury department. Life insurance is an indemnity against loss by death and should not be treated in the same manner as real estate, stocks and bonds.

Estates Are Divided

Because of high estate taxes men are dividing their estates with their wives and children and thus greatly reducing the total revenue from the combined individual estate. The breaking down of estates involving closely held corporations may have a detrimental economic effect on business. If the government would make it easier for men to pay the taxes on the estates which they have accumulated, the present rapid dissipation of estates would not be continued and the total revenue from both income and estate taxes would be increased.

Mr. Anderson said the time has now come when there should be a conference with the treasury department in regard to rulings which affect life insurance. Many of these rulings, according to Mr. Anderson, do not follow the law.

ASSOCIATION PROBLEMS

Foster A. Vineyard of Little Rock submitted a report to the committee on local association problems. He suggested that at the Houston convention the conference on local association problems be incorporated in the national council meeting on Monday of convention week. In future years, if sufficient interest develops, a separate meeting might be held at some other time during the week.

Mr. Vineyard recommends that local association officers be urged to arrive in Houston in time for the Monday meeting. He recommends the panel discussion treatment to bring out how local associations are successfully meeting their problems, building attendance, in-

To The Insurance Fraternity of the Southwest and the United States

Last week—to be specific, on March 8th—an important transaction was announced to the public and to those engaged in the life insurance profession. On that day, through the purchase of the controlling stock of The Southland Life Insurance Co. by The Gulf States Life Insurance Co., two of Texas' greatest life insurance concerns were consolidated.

A new board of directors comprising a wide sweep of financial representation was elected and immediately imposed responsibility for the management of the greater Southland Life Insurance Co. on an executive committee composed of John W. Carpenter, Chairman, A. Morgan Duke, Harry L. Seay, Sr., Homer R. Mitchell, John E. Owens, B. A. Donnally, Lewis T. Carpenter, W. C. McCord, and Dr. Hall Shannon.

Placed in direct charge of agency activities were B. A. Donnally, Executive Vice-President; Col. W. E. Talbot, Agency Director, and Joe Woodward, Assistant Agency Director. On the day following the announcement of the consolidation, agents representing 90 per cent of the production of the consolidated company met in Dallas, for a convention. Practically all of them returned to their homes that night after having pledged their loyalty to the newly constituted company. Production is continuing at full speed and our splendid and enlarged loyal agency force undoubtedly will reach the goal pledged at the meeting held in Dallas.

The new company represents insurance in force of \$183,630,618 and assets of \$28,506,067.96, as reported Dec. 31, 1937, making it one of the outstanding companies in the entire Southwest.

We, the newly elected officers of the company, pledge the utmost of our abilities to the upbuilding of the new and greater SOUTHLAND LIFE INSURANCE CO. At the same time we take this opportunity to thank uncounted hundreds of the insurance fraternity who have extended hearty good wishes, congratulations and sincere desire to be helpful to us in our happy task. We are daily receiving scores more such felicitations and thank in advance those whose good messages are on the way. To all of you in this GREATEST FAMILY IN THE WORLD we extend our sincere wishes for every success.

Sincerely yours,

A. Morgan Duke
President.

OFFICERS

John W. Carpenter Chairman of the Board	Clarence E. Linz Vice-President
A. Morgan Duke President	W. C. McCord Secretary
B. A. Donnally Executive Vice-President	Harry L. Seay, Jr. Treasurer
Harry L. Seay, Sr. Chairman, Executive Committee	Dr. Hall Shannon Medical Directors
Homer R. Mitchell Vice-President and Chairman Finance Committee	Dr. J. T. Montgomery Medical Directors
Lewis T. Carpenter Vice-President and General Counsel	Paul V. Montgomery Actuary
Malone, Lipscomb, White & Seay Associate Counsel	Col. W. E. Talbot Agency Director
	Lorry A. Jacobs Director Public Relations

AGENCY OPPORTUNITIES

Agency opportunities are still available for enterprising citizens to make a full-time connection with us. For complete particulars, write

B. A. DONNALLY, Executive Vice-President

SOUTHLAND LIFE INSURANCE CO.

Home Office: Southland Life Building • Dallas, Texas

terest, finances, education of the public, raising the prestige of the business, etc. He proposes that officers of local associations be asked to submit nominations of men to sit in on the panel.

He proposes that a questionnaire be addressed to local presidents asking certain questions about their association affairs. One of the members of the panel discussion should be thoroughly acquainted with the results of that survey.

One-day Training School

He referred to Mr. Cummings' project to establish a one-day training school in the various states for new local association officers who are elected in May and June to take over their duties as of July. Mr. Vineyard recommends that such conferences be held. He states that a tentative outline of such a meeting has been prepared. This year the meetings will be, somewhat experimental, he observed, and they will be improved in subsequent years. He recommended that the panel discussion treatment be used at these meetings. Much of the routine preparatory work can be done at national headquarters, he said.

Mr. Vineyard stated that he did not desire to make a recommendation regarding the employment of a "field secretary." The appointment of such a functionary has been under consideration for several months.

Agency Practices Committee

Lester O. Schriver, Peoria, Ill., was not able to attend the meeting but he submitted a report as chairman of the committee on agency practices.

The committee, Mr. Schriver stated, is more convinced of the efficacy of the program than at any time since the platform was laid down. Last October, he recalled, the national committee headed by W. W. Jaeger, Bankers Life of Iowa, was notified by the Equitable Society that it was requesting an amendment to the agreement and the field force of the Equitable was notified that they were free to proceed on the assumption that the amendment had been effected. Mr. Jaeger notified the Equitable that the matter would be taken up at the meeting of his committee Nov. 30. That committee voted unanimously not to amend the agreement in any respect.

Sustains Jaeger Committee

On Dec. 1, the National Agents Association voted to sustain the action taken by the Jaeger committee. Since the December meeting at least one company has withdrawn from the agreement and another has expressed its intention of doing so, according to Mr. Schriver. These developments caused considerable anxiety, but Mr. Schriver states in recent months there has been a definite crystallization of sentiment in favor of prosecuting the original objective and securing additional signatories. The Jaeger committee has advised all signatory companies of its purpose to adhere to the agreement and to encourage other companies to join.

A number of local associations and at least one state association have adopted resolutions endorsing the purpose of the agreement. Ninety-eight percent of the sentiment is in favor of strict adherence, he said.

Membership Committee

Harry T. Wright, in his full report as chairman of the membership committee, recalled that last November the committee endeavored to have a state chairman appointed in each state. A quota was assigned to each state.

The national headquarters supplied 25,000 bill heads to 200 associations. The committee emphasized the necessity of billing members promptly on Jan. 1. A new 100 percent award certificate for agencies was sent to each local association.

A new deduction authorization card has been printed for the use of general agents and managers who follow the plan of deducting the membership dues from the agents' commissions.

H. T. Burnett, vice-president Reliance Life, sent a letter to his representatives

Present Aetna Life Trophy



The H. W. Florer general agency at Grand Rapids, Mich., was announced winner of the president's trophy award at the Aetna Life general agents' convention in Miami last week. Regional awards went to general agencies at Newark, Duluth, Denver and Washington.

The annual awards are made to the agencies showing greatest general improvement in increased business, development of full time organization, conservation record, quality of production and improvement in other phases contributing to a progressive organization. The national award goes to the most outstanding agency, regional awards to those exceeding in the four remaining regional divisions of the field organization.

Four Sectional Winners

Mr. Florer's agency, representative of the central region, was selected the best agency in 1937. Section winners were: A. G. Derr agency, Newark, eastern; P. D. Sleeper agency, Washington, D. C., southern; J. W. Kernan agency, Duluth, western; and J. S. Edwards agency, Denver, Pacific region. All but

the Sleeper agency at Washington were awarded winners for the first time in the nine years the company has presented the trophies. The Washington agency was listed as national winner in 1934 and regional in 1931.

General Agents' Records

H. W. Florer has been general agent since 1933. Three years previous, he served as a home office agency assistant. A. G. Derr of Newark has been with the Aetna since 1912 although he has been Newark general agent only since 1933. Previously he headed agencies in Pennsylvania and Florida. P. D. Sleeper, a graduate of the Naval Academy and a C. L. U., has headed the Washington agency since 1926. J. W. Kernan with the Aetna Life since 1924, was made Duluth general agent in 1931. J. S. Edwards, general agent at Denver since 1895, is a past president of the National Association of Life Underwriters.

The president's trophy awards are made of bronze, molded in pronounced relief and finished in silver. Weighing 18 pounds, the trophies are mounted on black walnut.

urging them to join their local associations and the National association has capitalized on that letter.

Arthur V. Youngman of New York, chairman of the committee on the annual message of life insurance, pointed out that the observance this year for the first time has been taken out of the realm of competition with the various promotional weeks. There will be an enlarged and more impressive version of the national high school essay contest and there will be an improved campaign of public education based on the experience of previous years.

The essay contest is under way with 257 associations cooperating. The full story appeared in the Jan. 22 issue of "Scholastic Magazine" and reprints are being made available. These contests will close March 26. The state winners will be determined April 16, and the judging of the national contest will be completed by April 25 so that the prizes amounting to \$1,375 may be awarded during the week, May 9-14. Mr. Youngman predicts that there will be more than 250,000 entries.

The general campaign will embrace articles on life insurance in national magazines and business journals, followed with a stream of news stories for the daily and weekly newspapers. These

will be coordinated with the national newspaper advertising campaign to be carried by approximately 700 daily newspapers in 400 cities. A life insurance "column" will be offered to the leading newspapers. There will be a double page advertisement in the "Saturday Evening Post" and a series of advertisements will appear in "Editor & Publisher." Tie-in advertisements for the use of local associations and individual agents will be made available. There will be only one poster this year. Material for speeches and radio broadcasts will be made available.

No Consumer Booklet

The consumer booklet has been eliminated. Mr. Youngman said that in previous years the element of sales pressure appeared during life insurance week when one person might be called upon by 10 or more agents, each of whom would offer the prospect a booklet and solicit him for life insurance.

President Cummings submitted a report as chairman of a special committee on policy on women underwriters.

He recalled that in 1933 the women underwriters committee was made a standing committee of the National association. Entirely outside of the association setup, the women organized a

women's quarter million dollar round table.

The by-laws include no reference to those groups within the membership that have a special community of interest such as general agents, superintendents, supervisors and women underwriters. The general agents and managers operate under a resolution of the trustees which designates their group as the general agents and managers section. Supervisors have held a luncheon annually and have no organization plans. The women underwriters have used the designation "women's division."

The time has come, according to Mr. Cummings, when the general agents and managers and the women underwriters should be recognized and tied more definitely into the organization's structure.

He suggested that the term "women's division" be officially adopted. He recommended that the present practice be continued of designating the standing committee on women underwriters as the executive committee of the "women's division"; that the "women's division" leaders be asked for a recommendation for appointment by the president as members of the women underwriters committee.

Plans for Houston

At Houston the women are planning to have the quarter million dollar round table hold its sessions prior to the opening of the convention. All women's meetings during the convention itself will be for all women in attendance.

The chairman of the women's underwriters committee recommends that an allowance of \$150 be made to the women's committee to defray certain expenses. Inasmuch as the National association does not budget sums to be expended by chairmen of standing committees, he states he does not favor granting an allowance for the committee of women underwriters.

Last year the women's committee chairman requested an appropriation to pay for an outsider to address the women's division at the Denver convention. That is a question for the committee on convention program, according to Mr. Cummings.

HELEN SUMMY REPORTS

Helen Summy, Equitable Society, St. Joseph, Mo., made a written report as chairman of the women underwriters committee. She stated the committee has been seeking to develop the strength of established women's divisions and to arouse interest of women agents in association work. A questionnaire was sent to various women's divisions to ascertain the number of members, names of the chairmen, number of meetings held, something about the program, speakers, etc.

Plans are being formulated for the women's program in Houston, which includes an all-day meeting preceding the general session. Miss Beatrice Jones of the Equitable Society is chairman of the program committee. Miss Helen Rockwell of Cleveland is chairman of the quarter million dollar round table group. She is planning a preconvention meeting to be held the day before the women's day program.

Riehle Gives Report

T. M. Riehle, chairman of the committee on past national presidents, said that President Cummings had submitted to the committee four matters for their deliberation. One matter is whether there shall be a zoning procedure for conventions, so that one section of the country will not get more than its share of national conventions.

Another matter was whether fraternalists should be admitted to membership and the third was concerning the status of national committeemen.

The fourth matter had to do with subdivisions of membership such as general agents and managers, women underwriters, supervisors, etc.

P. B. Hobbs, in his report as chairman of the general agents and managers

committee, suggested that the theme for the general agents and managers day at Houston be "Training of the Carefully Selected New Man." Now 82 managers sections are affiliated with the National association and two or more are in process of organization. So far during the year two sections have disbanded.

Advocates Trust Councils

Paul H. Conway, chairman committee on cooperation with trust officers, reported that life insurance trust councils have been organized in Baltimore and Atlanta. Formal organization of a council in St. Louis is expected shortly. Likewise, in Houston there is considerable interest in the matter. Roger B. Hull was invited to sit at the speakers' table as a guest of honor at the trust division banquet this year. There has been a falling off in the number of complaints concerning unfair practice, conflicting viewpoints and various types of misunderstandings between individuals in the two groups. There is a substantial increase in the cordiality of the joint relationship. The committee has had some correspondence concerning cooperative activities with C. P. A.'s.

Ray Hodges' Recommendations

In addition to the points that he made in reporting to the national council, Ray Hodges, in his full report as chairman of the committee on education, stated that in conjunction with the committee on publicity a weekly or monthly column of material on life insurance of interest to the public will be prepared. This will be made available to newspapers through local associations. The committee has been working in conjunction with a company group on the project.

He referred to the offer of the Western Union Telegraph Company to rent time clocks to local associations for \$15 a year, completely installed. These carry a large advertising space. Mr. Hodges expressed the belief that such a project could be used to advantage in the smaller cities where one or more clocks would present the desired publicity. The committee feels that if sufficient local associations are interested and would defray the cost of renting the clock, the National association should supply them with changes of copy free of charge.

Since the Denver convention, Mr. Hodges, said, 2,500 copies of "Life Insurance Speaks for Itself" by M. A. Linton have been distributed to colleges and public libraries.

Committee on Conservation

W. M. Duff, Equitable Society, Pittsburgh, as chairman of the committee on conservation, recommended that companies furnish their managers the pamphlets, "Conservation at the Source" and "Profitable Selling," which are published by the Research Bureau.

George E. Lackey, Massachusetts Mutual, Detroit, was not present but submitted a report as chairman of the committee on cooperation with attorneys. Mr. Lackey said he was a guest at the dinner in Detroit in February of the unauthorized practice committee of the American Bar Association. Mr. Lackey said the insurance section of the American Bar Association at its meeting in Cleveland next July will give a period of 30 minutes to the National association. Mr. Lackey suggested that Roger Hull be appointed to fulfill that engagement.

E. A. Crane, Northwestern Mutual, Indianapolis, sent an absentee report as chairman of the committee on by-laws. He said the committee has been busy securing from local associations conformity in their by-laws to the mandatory provisions of the national regulations. The committee has been in touch with about 200 associations and most of them have brought their by-laws into conformity.

Others who made written reports were John A. Witherspoon, John Han-

Plans Countrywide Work as Library Group Head



FOSTER A. VINEYARD

Foster A. Vineyard, assistant general agent Aetna Life at Little Rock, Ark., will head a countrywide library work group as chairman of the Citizens Library Association of Little Rock. Mr. Vineyard, who has been an active worker for the Little Rock public library, announced that his program will be so arranged as to carry on work already underway and to develop means of rendering even greater service through progressive educational channels in providing county library service to those now denied it.

Arkansas has attracted the eye of the entire nation in new educational ideas and an appropriation of nearly \$80,000 by the state legislature made it possible for 10 Arkansas counties to launch library programs, comparing favorably with the finest in the world.

Mr. Vineyard is particularly interested in putting a new type of traveling library called the "bookmobile" in operation. Already rural school children and P.T.A. groups have pledged to raise \$500 to put the "bookmobile" in operation. A like amount is now being raised by the Citizens Library Association. The two amounts will be placed together for the purchase of a traveling unit. Under present plans the "bookmobile" will operate five days a week in rural sections and one day in Little Rock.

cock, Nashville, committee on business standards; E. W. Owen, Sun Life, Detroit, International Council; W. R. Furey, Berkshire Life, Pittsburgh, resolutions; F. B. Summers, New York Life, Boston, publicity; H. A. Hedges, Equitable Life of Iowa, Kansas City, publications, and J. Hawley Wilson, Massachusetts Mutual, Peoria, Ill., national safety.

State Presidents Meeting

At the meeting for state association presidents, conducted by O. D. Douglas, there was a full program of talks and discussion. Mr. Douglas was the first speaker on "Formulating a State Association Program for a Year." Dallas Alderman, Kansas City, spoke on "Functions of State Association-Specific Elements of the Program."

Stacy E. Webster of Pittsburgh gave a discussion on sales congresses; Homer L. Rogers, Equitable Society, Indianapolis, on "Visitation of Established Associations"; Fred Zweifel, Equitable of Iowa, Toledo, on "Financing a State Association."

President O. Sam Cummings gave a talk on "Relation of the State to the National Association," and L. E. King, New England Mutual, Topeka, on "Relation of the State Association to the Local Association."

E. G. MacDonald, Sheboygan, Wis., led the discussion on "Publicity."

Throughout the meeting there was considerable discussion of savings bank life insurance.

Ben H. Walker has been appointed district manager of the Equitable Society at Birmingham, Ala.

COUNTRY LIFE GAINS AGAIN

Mortality 29.2% of the expected.

Net interest earned 3.51%. No investments in default as to interest, and only one bond, for \$2,000, was in default as to principal.

New business for 1937—\$15,300,000.

STATEMENT OF CONDITION

As of December 31, 1937

ASSETS		LIABILITIES	
Cash	\$ 87,519.39	Policy Reserves ..	\$5,107,032.00
U. S. Gov't Securities	1,529,430.15	Installment Claim Reserves	166,835.85
Other Bonds	4,266,310.74	Other Liabilities ..	463,545.62
Policy Loans	566,796.05		
Other Assets	474,058.67	Total Liabilities ..	\$5,737,413.47
		Cap., Surpl. Cont. Reserves	1,186,701.53
Total Assets	\$6,924,115.00	Total	\$6,924,115.00

We submit again an annual statement of condition which gives us great satisfaction. Our total insurance in force exceeding One Hundred and Fifteen Million, together with our excellent showing in mortality, investments and other outstanding accomplishments, gives us a feeling of pardonable pride and new zeal to drive for greater heights.

COUNTRY LIFE

INSURANCE COMPANY

608 South Dearborn Street

Chicago, Illinois

IT'S NEVER EASY TO BUILD AN *Agency*



WITH COMMONWEALTH YOU'LL FIND
MUCH SMOOTHER SAILING

You'll cut sales resistance to a minimum through our close cooperation with you in meeting the problems of your client. Meanwhile, the many types of Commonwealth policies will extend your influence into ever-widening profit circles.

IT WILL PAY YOU TO INQUIRE ABOUT THE PROFITABLE AGENCY OPENINGS NOW AVAILABLE.

COMMONWEALTH LIFE INSURANCE COMPANY HOME OFFICE
LOUISVILLE, KY.

EDITORIAL COMMENT

Running Scandal Mongers to Earth

SOMETIMES it pays a company official to do some plain talking, to be very frank in his expression and to reveal what is back of attacks on insurance. There have been many poison gas bombs thrown by those trying to smother industrial insurance. The New York "World Telegram" has been sensational in its attacks without having sufficient information to back up its statements. Then in New York City, MORRIS H. SEGEL, who conducts what he terms a servicing bureau, has been making what many felt to be exaggerated and unfair comment over the radio and in literature that was sent out.

Therefore, CHARLES G. TAYLOR, JR., vice-president of the METROPOLITAN LIFE, spoke very plainly at the hearing before the New York senate insurance committee on the resolution to create a legislative committee to investigate life companies.

Mr. TAYLOR undoubtedly felt that the resolution was introduced largely because of these public attacks and that the legisla-

tors and the public did not have at hand the facts.

There have been many general statements made, many demands forthcoming from labor agitators and broad criticism by SEGEL. Mr. TAYLOR, therefore, ran down these scandal-mongers to earth in no platitudinous terms.

He called attention to the demands made by the C. I. O. group and then told boldly what would happen if these demands were met and how much the cost of industrial insurance would be increased. He stated that while no system of insurance claimed to be perfect, yet the suggestions that had been made and the criticisms set forth exaggerated some of the conditions and if an attempt were made to carry out what had been offered it would be detrimental to the agents and policyholders and that much of value would be destroyed. Mr. TAYLOR is to be congratulated on his frank, fearless talk which presented facts, not fiction.

Dr. Huebner Needs No Designation

WHEN one writes the name of S. S. HUEBNER in the insurance press no designation is needed as to his position or city. Usually it is necessary to attach a proper tag to one so that he can be identified. Dr. HUEBNER is known to insurance people the country over. He has addressed probably more insurance gatherings than any other man. He has been a constructive force in the thought that he has presented, especially as to the province and uses of life insurance. He was the founder and dean of the AMERICAN COLLEGE OF LIFE UNDERWRITERS and this year is celebrating his 25th anniversary as chairman of the department of insurance of the WHARTON SCHOOL OF FINANCE & COMMERCE of the

UNIVERSITY OF PENNSYLVANIA.

Dr. HUEBNER was a pioneer in university work in connection with insurance. When the insurance course was established at the WHARTON SCHOOL he was the only member of the faculty in that department. It now has 14 people that are giving instruction. There were no text books. Therefore, Dr. HUEBNER had to devise text books of his own. He wrote "Property Insurance," which was published in 1911.

Dr. HUEBNER has always stood for substantial and sound business. In his insurance talks he has emphasized that factor. He has been a carrier of light and wisdom as he journeyed through the country, talking to insurance groups.

Insurance Tieup with Social Security Act

A NUMBER of agents are endeavoring to tie in one's life insurance with the prospective social security benefits. Life agents are encountered these days with the inquiry as to what will be forthcoming under the social security act and they make a general reply saying that it will run from \$20 a month to \$80 a month. If, however, one is able to ascertain the income of a prospect and the amount of life insurance he possesses

and then figuring that this income will continue over a number of years the agent will be able to figure out accurately just what a prospect may expect at age 65 if his life insurance is kept intact and the social benefit act has not been changed. Adding the two together will give a prospect his monthly income and he can then decide whether it is sufficient to meet his requirements at that time or not.

Stressing Personal Insurance Service

DR. B. E. WYATT, who was recently appointed educational counsellor for the AMERICAN COLLEGE OF LIFE UNDERW-

ERS, in an address before the DETROIT C. L. U., said that many agents worry about savings bank insurance, state life

insurance schemes, the social security act, etc. There is a vast difference between these public or semi-public plans and regular life insurance. The classes to which Dr. WYATT referred attempt to give some sort of benefit or indemnity without any service. Life insurance is intimately linked with a person's needs, condition, responsibilities, demands and possible future. When he purchases insurance over the counter of a bank he gets no personal service. The

policy that he buys may not be fitted at all to his special needs. Dr. WYATT, therefore, believes that far greater stress should be laid upon service as one of the great needs today in life insurance. As he said, "We in the underwriting field are attempting to do something for our clients above and beyond anything attempted by the other profession. We are attempting to plan for them for their entire lives and beyond."

PERSONAL SIDE OF BUSINESS

Frank R. Davenport, agency secretary of the Old Line Life of America, celebrated his 25th anniversary with the company. He went to Milwaukee from Kansas City in 1913 to become field superintendent. Later he was appointed field auditor and in 1929 was appointed to his present position.

R. D. Erwin, 71, of McKinney, Tex., died there. He was one of the original organizers and directors of the Southland Life.

R. E. Cecil, manager in the Philippine Islands for the West Coast Life, was an interested observer at the mid-year meeting of the national council of the National Association of Life Underwriters in Richmond. He has been on a trip away from his headquarters that will have consumed about seven months when he returns in June. It has been seven years since he has visited this country. From Richmond he went to New York and then will go to Hartford to spend some time at the Research Bureau. Later he will sail for Europe and will make his way back to the Philippines in an easterly direction.

John Dingle, general agent Massachusetts Mutual in Chicago, was elected president of the Dartmouth Alumni Association of Chicago at the annual dinner. President Ernest M. Hopkins of Dartmouth College was guest speaker. Mr. Dingle, since graduating in 1910, has been active in alumni work. His son, John, Jr., also is an alumnus, class of 1937. Both played on the basketball team, Mr. Dingle being captain. Mr. Dingle is in charge of arrangements for the Dartmouth musical club recital, to be held in Chicago April 2.

A. C. McKenney, first vice-president of the Life of Virginia, is enjoying a Mediterranean cruise.

Commissioner Sullivan of Washington made known an unusual honor which has been accorded F. E. Huston, deputy commissioner and actuary of the Washington department. Mr. Huston recently received advice from J. B. McLean, secretary of the Actuarial Society of America, that the society waived four examinations, customarily required, and had named him an associate. Mr. Huston has, for some time past, been an associate of the American Institute of Actuaries, having passed the required examinations, and with this new signal honor he becomes an associate of both organizations.

Widespread recognition has been accorded Mr. Huston's outstanding work. He has participated in many important convention examinations, including that

which led to the reorganization of the Pacific Mutual Life. He is a member of the blanks committee of the National Association of Insurance Commissioners, and has recently been appointed by the president of that association, together with five other leading actuaries, to the important and extensive task of making a study of the needs for a new mortality table.

Frank Yetka, Minnesota commissioner, was called to his home at Cloquet this week by the death of his mother, Mrs. Rose Yetka.

George Avery of the Washington insurance department, while en route to Los Angeles, suffered serious injury in an automobile accident near Ashland, Ore. His car went over an embankment. He and his wife are confined in an Ashland hospital.

The Evanston, Ill., "News Index" featured Roy L. Davis, assistant Illinois director of insurance, in one of its recent issues. Mr. Davis resides in Evanston and reported to the police department that a small bantam rooster was wandering about his back yard with a forlorn look characteristic of a lost child. Mr. Davis regarded the visitor seriously and concluded that it had wandered far from its residential location. Therefore, Mr. Davis stated to the police department that he had taken the rooster in hand, was supporting him and that the owner could have him by calling for the fowl. Some of Mr. Davis' neighbors were of the opinion that this was a Democratic rooster that was wandering around.

H. T. Adams, agency manager of the Equitable Society until ill health forced his retirement a year ago, died in Atlanta. Burial was in Birmingham, Ala.

A visitor to the head office of the Canada Life is W. R. H. Browne, who, with A. D. Dennis, was recently appointed agency supervisor of the British Isles division of that company.

Dewey R. Mason, general agent Aetna Life, Syracuse, N. Y., addressed the Advertising Club of Miami, Fla. He was manager of the Jacksonville office of the Aetna Life for 16 years.

Celebrating 30 years with one business institution and declaring that life has just begun at 60, Charles E. Bent, second oldest man in the Travelers' Los Angeles branch office, accompanied by Mrs. Bent, is starting out on a three months observance of the anniversaries. They will go to Central and South America and to the British Isles, cul-

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CINCINNATI OFFICE—420 E. Fourth St., Tel. Parkway 2140. Louis H. Martin, Mgr.; Abner Thorp, Jr., Director Life Ins. Service Dept.; C. C. Crocker, Vice-President.
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DETROIT OFFICE—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Res. Mgr.

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SAN FRANCISCO OFFICE—507-509 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

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minating with a long visit with their son, Donn Bent, assistant director of personnel in the U. S. Department of Labor at Washington, D. C.

Mr. Bent started his insurance career in 1903, entering the field in January, 1907. Mr. Bent has been active in association work. In September, 1909, he won the prize offered by the National Association of Life Underwriters for the best essay on "Publicity from the standpoint of the agent, the company and the policyholder." In 1924 he was chairman of the entertainment committee at the convention of the National Association of Life Underwriters held in Los Angeles. In 1925 he was elected president of the Life Underwriters Association of Los Angeles, and during his term of office wrote "The Life Underwriter's Creed," which later was adopted as the official creed of both the local and the National associations.

On his return from abroad, Mr. Bent plans to get back into harness again.

Vash Young of New York City, well known life insurance man, will speak April 5 at Bloomington, Ill., on "Be Kind to Yourself" at the Bloomington high school under the auspices of the Bloomington junior association of commerce.

Dr. Charles T. Cutting, 62, died at his home in Los Angeles. Dr. Cutting began his insurance career as medical director of the old Boston Life. Later he went to the Pacific Coast as medical

director of the Empire Life of Seattle. Subsequently he became connected with the medical staff of the Fidelity Mutual Life in Philadelphia, and the past few years has been engaged in general insurance claims work.

Charles F. Adams, president of the Oregon Mutual Life, celebrated his 76th birthday.

Carroll C. Day, Oklahoma general agent of the Pacific Mutual, was re-elected president of the Oklahoma City Better Business Bureau.

Thomas A. Wilson, 30, head of the conservation department of the Pan-American Life, died in New Orleans after an illness of two weeks.

Jack Morris of the sales department of the Business Men's Assurance has been made editor of its agency bulletin. Since the resignation of Miss Chlo Peterson in June, 1936, who went into personal production, the responsibility for the bulletin has been divided among a number of persons. Mr. Morris is a graduate of the School of Journalism of the University of Kansas.

Harry T. Boone, 57, who represented the Pan-American Life in Panama, died at Ancon, Canal Zone. He had lived in Panama 25 years and was widely known in Central America. He was a brother of Daniel Boone, president of the Midland Life.

NEWS OF THE COMPANIES

Court Approves Amendments

Reinsurance Contract Whereby the Life of Detroit Takes Over the Defunct Detroit Life Sanctioned

DETROIT—Judge Moinet of the federal court has approved the amendment to the reinsurance contract between the defunct Detroit Life and the new Life Insurance Company of Detroit. Under the amendment, the Life of Detroit will pay \$50,000 to the Detroit Life fund immediately, and in addition an increased portion of the income received by the former on converted policies of the old company. One of the considerations of the agreement was the divorcement of the management of the new company from the American Conservation Co. of Chicago.

The three main financial men now in the Life of Detroit are Fred A. Ossana of Minneapolis, Berry T. Stevens of Chicago and Estil Scott of Kansas City. These men formerly owned a large interest in the American Conservation Co. and state now they only own 25 percent.

Provision of the Contract

Under the contract approved, the Life of Detroit agrees to pay the Detroit Life fund, in addition to annual instalments provided by contract on receipt of the third, fourth and fifth annual renewal premiums on exchange policies, an additional payment of \$1 for each \$1,000 of the face value of the exchanged policies. Also the company agreed to pay the Detroit Life fund as of March 1, 1938, 50 percent of the loading for the preceding calendar year on all outstanding policies and contracts of the reinsured company, but in no event exceeding \$5,000, and similarly should pay the Detroit Life fund on March 1, in each of the nine years following, 50 percent of the loading under the same condition.

New S. D. Assessment Company

The American Life Underwriters of Mitchell, S. D., has been incorporated as an assessment life company to take over the affairs of the National Benefit Association of Mitchell. Commissioner Dunn had ruled that mutual benefit associations would be limited to \$1,000 as the amount written on any one indi-

vidual. The National Benefit Association then formed an "auxiliary company," and attempted to write through that organization, but was ruled out by Commissioner Dunn.

Interesting Features in the Canada Life Report

The Canada Life in its new statement shows assets \$261,314,861, compared with \$252,432,054. It has investments and cash in the United States in excess of \$61,200,000. The United States portfolio contains practically no common stocks or railroad bonds and less than 3 percent in mortgages. More than 70 percent is invested in government and public utility bonds. The new business last year amounted to \$69,431,228, increase 21.7 percent. The business in force increased \$10,250,000, now reaching \$817,192,538, not including deferred annuities. The total income was over \$40,000,000 and the excess of income \$6,820,923. The premium income was \$25,067,821. It paid policyholders, \$23,514,630, the total paid since organization having been \$650,000,000.

The Canada Life has declared dividends to policyholders for every year without exception for 89 years. The total equals 74.2 percent of the total death claims paid to date. In 1940 it will celebrate a half century of service in the United States. Its first branch office was opened in the U. S. in 1889. It is the eighth oldest life company on the North American continent.

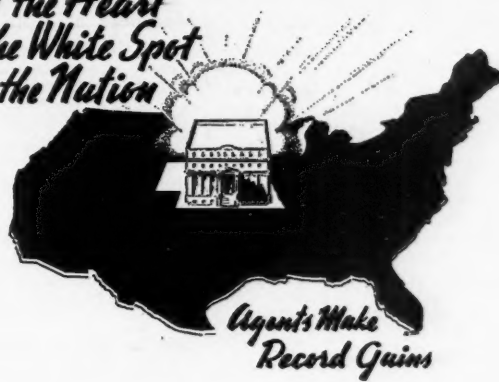
Church Life's Annuity Plan

The Church Life, a subsidiary of the Church Pension Fund, has developed a retirement plan available to all laymen and laywomen in the employ of any parish, institution or other organization in the Protestant Episcopal Church.

Occidental Life Figures

The Occidental Life of Los Angeles shows assets \$53,047,456, of which \$1,128,650 is cash, \$763,662 federal government bonds, \$7,160,273 state, municipal and other bonds, \$14,124,784 mortgages, \$600,000 home office building, \$4,761,496 policy loans, guaranteed assets acquired from Guaranty Life \$4,522,410,

*In the Heart
of the White Spot
of the Nation*



FOR OVER FIFTY YEARS, BANKERS LIFE OF NEBRASKA HAS BEEN LOCATED IN, AND GROWN WITH THE STATE THAT TODAY IS KNOWN AS THE "WHITE SPOT OF THE NATION".

DURING THESE HAPPY AND PROSPEROUS YEARS, A LOYAL AGENCY FORCE HAS GROWN WITH THE COMPANY.

WE BELIEVE THAT THE CONSTANT CONSIDERATION OF THE AGENTS' VIEW-POINT, AND UNTIRING EFFORT TO ASSIST THEM IN THEIR IMPORTANT WORK, HAS MADE IT POSSIBLE AGAIN AND AGAIN TO ESTABLISH RECORD GAINS IN PAID BUSINESS.

Bankers Life
INSURANCE
COMPANY of **Nebraska**
Home Office, Lincoln

KENTUCKY HOME MUTUAL LIFE INSURANCE COMPANY

Louisville, Kentucky

Financial Statement December 31, 1937, Condensed From the Report to the Insurance Departments of the States in Which the Company Operates

ASSETS	
Cash in Banks and Office.....	\$ 264,201.41
Bonds and Stocks.....	1,241,402.06
Mortgage Loans.....	849,367.62
Loans to Policyholders.....	1,761,435.51
Policy Liens and Interest.....	4,534,850.06
Real Estate and Contracts of Sale.....	3,440,097.27
Collateral Loans.....	53,790.33
Premiums (secured by legal reserve).....	188,001.64
Other Unclassified Assets.....	152,319.46
GROSS ASSETS	\$12,485,465.36
Less assets not used in reserve fund.....	136,707.56
TOTAL ADMITTED ASSETS	\$12,348,757.80
RESERVES AND LIABILITIES	
Reserves for Policyholders.....	\$11,519,157.03
Reserves for Claims Payable in Installments and Amounts Held Under Supplementary Contracts.....	197,261.79
Reserve for Claims Unreported and Proofs Not Completed.....	82,023.47
Reserve for Coupons and Dividends to Policyholders.....	10,543.96
Reserve for Premiums and Interest Paid in Advance.....	68,489.67
Reserve for Taxes Payable in 1938.....	34,543.45
Reserve for All Other Liabilities.....	58,597.03
	\$11,970,616.40
Surplus for Contingencies (fluctuation asset acc't)....	\$ 50,000.00
Surplus Unallocated.....	328,141.40
Total Surplus	\$ 378,141.40
TOTAL RESERVES AND LIABILITIES	\$12,348,757.80
Total paid beneficiaries and living policyholders since organization.....	\$ 5,298,668.53
INSURANCE IN FORCE DECEMBER 31, 1937....	\$45,093,732.00

ELLSWORTH REGENSTEIN, President

assets Western Mutual fund \$2,190,150, assets Federal Reserve Life fund \$5,018,375, assets Register Life fund \$3,821,614, contingency fluctuation reserve \$358,370, assigned surplus \$876,236, free surplus \$1,393,677, capital \$1,000,000, insurance in force \$401,933,389, income \$22,071,337, excess over disbursements \$12,057,771, net interest earned 4.19 percent, mortality ratio 49.64 percent.

Sibley on N. Y. Life Board

Harper Sibley of Rochester, N. Y., an agriculturist, becomes a director of the New York Life. He is manager of Sibley Farms, a 14,000-acre farm in the heart of the Illinois corn belt. He is the owner of the Rancho Santa Rita in California, the Round T Ranch in Alberta, Can., and Sibleyville Farms in New York, all of which are devoted chiefly to the raising and fattening of cattle for market. From 1935 to 1937 Mr. Sibley was president of the U. S. Chamber of Commerce and is now chairman of the

agricultural department committee of the national chamber.

Members of App-a-Week Club

The Northwestern National Life of Minneapolis now has 10 men in its agency organization who have been members of its App-a-Week Club for 10 years or more. The tenth man to complete a decade of consistent weekly production was J. D. Barlow of Detroit, who rounded out his 520th week of membership March 10. He has qualified regularly since 1928. In recognition of his achievement, Mr. Barlow has been presented with a cash prize of \$100 and a special gift award of a pair of sterling silver candlesticks.

Smrha Issues Warning

LINCOLN, NEB. — Asserting that the contract made by the courts for the Cosmopolitan Old Line Life which reinsures its business in the Lincoln Liberty Life is as equitable and desirable as any available, Insurance Director Smrha sent a letter to all policyholders of the former advising they not permit their policies to lapse and not to sell or assign them. The department is still in charge of assets and receiving premiums. Mr. Smrha says within 90 days, regardless of any appeal from court decree, policyholders may withdraw cash values or obtain loans on policies.

New Building for London Life

The London Life has purchased a \$50,000 site for the construction of a building to provide additional space at its head office in London, Ont. E. E. Reid, managing director, says the plan is to erect a general purpose office building to house detachable units of the administrative staff.

Observe 10th Anniversary

The Great Lakes Mutual Life, Detroit, Negro company, is celebrating its 10th anniversary by conducting a series of public programs on the value of life insurance. H. H. Pace, Chicago lawyer, spoke at the first meeting.

Upheld on Mutual Decision

Commissioner Hunt of Pennsylvania has been upheld by the Pennsylvania courts in his contention that the Public Mutual Benefit Foundation, Union City, N. J., is an insurance organization and will come under supervision of the Pennsylvania insurance department if it operates in that state.

International Claim Meeting

Edward D. Millea, Equitable Society, president of the International Claim Association, has called a meeting of the executive committee, over which Chairman R. V. Hatcher, Atlantic Life, will preside, on March 18 in New York City. Several important matters are to be discussed at that time, but principally the program for the coming convention, which is to be held at the Greenbrier,

White Sulphur Springs, W. Va., Sept. 12-14.

The medical committee has reported that a paper read by Dr. Peter G. Denker before the Association of Life Insurance Medical Directors is being printed and will be distributed by the medical committee to all members. This paper deals with psycho-neurosis claims for disability and is the only one of its kind that has been prepared.

COMPANY MEN

Ashford Named President of Western Reserve Life, Tex.

Arthur F. Ashford, who has been vice-president and general manager of the Western Reserve Life of San Angelo, Tex., was named president at the annual meeting. He succeeds W. M. Hemphill, who served as president for eight years. Mr. Hemphill declared he believed the time had come when an experienced insurance man should be president. He said Mr. Ashford had been carrying the burdens and responsibilities of the company, and if there are any honors in the presidency they should go to him. He pointed out that during the past year, without sales contests, prizes or bonuses, through Mr. Ashford's management the company had issued the largest amount of new business in its history and that its insurance in force had gained 25 percent.

Northern Life Promotions

The Northern Life of Canada has appointed R. C. Balfour secretary. He started with the company 35 years ago. R. M. Sangster becomes comptroller, having started with the Northern 21 years ago. For the past five years he has been assistant secretary. L. R. Detwiler, former manager of home office agencies, is now agency secretary.

The Lincoln National Life basketball team, sponsored by Robert Hesse, general agent at Madison, Wis., in the girls' basketball league there, won eight straight games and the championship.

Continues as Southland Life Agency Director



COL. W. E. TALBOT

Col. W. E. Talbot, since 1925 agency director and since 1934 vice-president of the Southland Life, has been appointed agency director of the new Southland Life, formed by the consolidation of that company with the Gulf States Life. Colonel Talbot was on the headquarters staff of the 42nd Division in France. He once was candidate for mayor of Dallas, later for governor of Texas. His insurance selling campaigns have attracted national attention.

SALES MEETS

Southland Life Agents Meet

Over 500 Attended Special Conference on Consolidation Details and New Sales Plans

DALLAS, TEX.—Over 500 agents of the old Gulf States and Southland Life attended a special conference of the new Southland Life, formed by a merger of the two companies. The agents were summoned to the conference by wire by B. A. Donnally, executive vice-president.

The agents were told the details of the consolidation and plans of the new company to step up production were discussed.

The agents of both old companies became acquainted with the officers of the merger concern.

Executives Speak

Speakers at the conference were A. Morgan Duke, president, B. A. Donnally, Harry Seay, Clarence Linz, W. E. Talbot, W. C. McCord, John W. Carpenter and Fred Florence.

John W. Carpenter, chairman of the board, said the company ranks fourth in business in force among the Texas companies now, with a total of more than \$185,000,000, and that in a short time it expects to increase that rank.

Fred Florence, president of the Republic National Bank, declared the company is one of the strongest, financially, in the country.

The agents returned to their homes with plans for immediately "stepping out" and boosting production. No goal was announced, but it was said the new company expected to be well above the \$200,000,000 million mark when this year closes.

Monarch Life Baltimore Rally

The state office of the Monarch Life in Baltimore held a conference there in charge of P. E. Ansel, Baltimore general agent, and Francis L. Merritt, manager of agencies from the home office.

Bankers Life Conference

General agents of the Bankers Life of Nebraska held a conference at the home office to discuss plans for the remainder of the year with executives. The meeting was divided into three sections, each under a specially named leader. R. R. Butner of Harrisburg, presided over the section that discussed "Recruiting of Men;" Lloyd S. Smith of Omaha over "Agency Building," and W. C. Butler, Chicago, over "Developing and Diligent Adherence to Definite Work Plans."

Great Northern Meet

Sales representatives of the Great Northern Life from 15 counties in southwestern Wisconsin attended the annual agency meeting and seminar at Madison, Wis., arranged by Brace M. Stahl, agency supervisor, and A. R. Jennings, general agent. Speakers included H. G. Royer, president, and John A. Sullivan, vice-president from the home office in Chicago.

Lyter at Macon, Ga.

Fred A. Lyter, superintendent of agencies Connecticut Mutual Life, conducted an agency meeting at Macon, Ga. Agents from Cochran, Columbus, Moultrie, Perry and Savannah, Ga., were present.

Headquarters in Kansas City

A. S. Cartwright, who is supervising manager for the Northern Life of Seattle in central western territory, has opened an office at 620 Dwight building, Kansas City, Mo., for his personal headquarters.

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BY ANY
STANDARD
OF
COMPARISON

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1867



● The Equitable Life of Iowa issues both participating and non-participating life policies; annuity contracts; and "man-sized" life policies for juveniles from date of birth to age 10.

EQUITABLE
LIFE INSURANCE COMPANY
OF IOWA
HOME OFFICE DES MOINES

On March 4, 1850



Theodore Frost, Williamsburg accountant, passed the careful examination of Dr. John W. Scott, first medical examiner of the Company, and became Policyholder Number One — March 4, 1850.

the Company opened for business . . . that makes it one of the oldest companies in America after 88 years of service to policyholders. Today the United States Life goes forward — clings firmly to its tradition of conservative investment, but blazes trails in new fields of underwriting. Agents and brokers are invited to examine its facilities — a steadily growing domestic and foreign business, a full line of sound, guaranteed cost contracts, and world-wide continuing service unexcelled by any other American life insurance company.

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IN THE CITY OF NEW YORK
101 Fifth Avenue New York, N. Y.

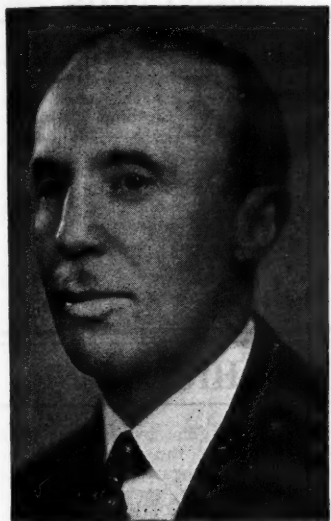


LIFE AGENCY CHANGES

General Agent at Harrisburg

Nelson R. Korb of Pittsburgh Is Advanced by the Connecticut Mutual Life from Assistant Agency Head

Nelson R. Korb, for the past 15 years with the Pittsburgh agency of the Connecticut Mutual Life, has been named general agent at Harrisburg, succeeding



NELSON R. KORB

Paul C. Snyder, who as yet has not announced his future plans. Mr. Korb has served R. N. Waddell, general agent, Pittsburgh, as assistant general agent since 1936 and as agency supervisor from 1934 to 1936. The unit which he took over in 1934 at that time had four producers, writing about \$400,000. At the end of 1936, his unit was composed of 13 men, producing over \$2,000,000. He is the fifth member of the Pittsburgh agency to be advanced to an agency executive position during the past several years.

Mr. Korb is a native of Pennsylvania and a graduate of Penn State, where he was active in athletics and served as coach for several years. Since leaving Penn State, he has maintained his interest in athletics, having done a considerable amount of officiating at football games. In 1937, he was president of the Western Pennsylvania Football Officials Association.

Mr. Korb will maintain offices in the Payne-Shoemaker building.

Consolidate Offices in Omaha

Premium collection offices formerly maintained at Lincoln, Neb., and Council Bluffs, Ia., by the Equitable Life of Iowa have been consolidated in Omaha under the direction of Lyle V. Barnes, agency manager. The move necessitated enlargement and remodeling of the offices at 907 Redick Tower.

Jones with Gregory & Appel

Iliff Jones, who has been one of the leading producers of the Holgar J. Johnson agency of the Penn Mutual Life in Pittsburgh, has joined Gregory & Appel, Indianapolis, as manager of the agency's newly-established life department, representing the Reliance Life of Pittsburgh.

Pearce H. Young Resigns

Pearce H. Young, for the past three years manager of the Union Central Life at St. Louis, is resigning as of April 30, but has made no announcement of plans for the future. Before going to St. Louis he was for two years located at Indianapolis as manager of the company for Indiana. He is a large personal producer.

New Seattle General Agent

Hans O. Clasen Takes Charge of the John Hancock Mutual Life for Washington, Succeeding Yates Hickey

The John Hancock Mutual Life has announced the appointment of H. O. Clasen as general agent at Seattle for Washington. He succeeds Yates Hickey who is retiring from active management on his 10th anniversary in order to give more time to personal production. He will remain with the agency as associate general agent.

Mr. Hickey gave a testimonial luncheon to Mr. Clasen at which he introduced the new general agent to local members of the insurance fraternity and other prominent Seattle business men.

Mr. Clasen is a native of Minnesota and was connected with the St. Paul agency of the John Hancock for about 10 years prior to his appointment a year ago as agency assistant at the home office, in which position he was concerned primarily with training in the field.

Clark Is Succeeding Lateer

Chicago Supervisor of W. M. Houze Agency, John Hancock, to Take Over Peoria, Ill., Office April 1

William Lateer, Peoria, Ill., general agent John Hancock, is resigning as of April 1, to be succeeded by James M. Clark, who for several years has been supervisor of the W. M. Houze general agency of the John Hancock at Chicago.

Mr. Lateer, who has been in charge at Peoria for about ten years, resigned to concentrate on personal production, remaining with the John Hancock at Peoria. He is well known throughout the state, being president of the Illinois Association of Life Underwriters.

General Agent Houze announced the appointment at luncheons of the staff and agents in Chicago and Rockford, Ill., this week in honor of Mr. Clark, who for some time has had direct charge of the Houze downstate territory centering at Rockford.

Mr. Clark established a splendid record

Returns to National



M. G. CRAPPER

M. G. Crapper, who has been appointed manager of the Toronto central agency of the National Life of Canada, is a successful manager and personal producer, and is returning to the National Life, with which he was previously associated for several years.

ord as agent and unit supervisor in the Houze agency since 1932. He formerly for about ten years was a broker placing through the Houze office. In years past he was a real estate man in Chicago, entering insurance work through the insurance division of his real estate office. During the Florida boom he was a successful real estate operator in that state.

A. B. Penry Takes Colombia General Agency of U. S. Life

Following the entry of the United States Life into Colombia, South America, A. B. Penry, who for the past few months has been in Colombia furthering the company's negotiations with the republic's insurance department, has been appointed general agent with headquarters in Bogota.

Mr. Penry has been actively engaged in general insurance work and in agency supervisory work in South America for many years, seven in Chile with headquarters in Santiago. He has operated in all countries in that continent except Brazil, has a well rounded knowledge of life insurance and is a capable agency organizer. For the past three years he has been working out of New York for the American Foreign Insurance Association through Venezuela, Colombia and other Latin-American countries.

On March 16 George M. Selser, executive vice-president and Dr. J. Albert Avrack, medical director of the United States Life, left for Bogota via Pan-American Airways to assist in launching the new agency.

Because it is a prosperous country with a stable government, highly intelligent people and modern social viewpoint, the company regards Colombia as one of the most favorable life insurance fields in South America.

Mr. Selser and Dr. Avrack on their return trip will stop in the Panama Canal Zone to visit General Agent Max Stempel and also at Curacao, Netherland West Indies, where Norman Zimmerman represents the company.

Two Westchester Agencies

The United States Life has appointed two new general agents in Westchester county and the Bronx, Joseph Beck, who will center his activity in Yonkers, and Michael Gagliardi, who will work out from New Rochelle.

Mr. Beck's insurance career began almost as a matter of course when he became connected with the Metropolitan Life, first in the home office, then in the field, for ten male members of his family are engaged in life insurance work.

Mr. Gagliardi is an Italian, and received his education in that country. He has been in the United States some 15 years, and for the past six has engaged in life insurance, originally as a broker and later with the Postal National Life.

Establishes Harrisburg Office

In appointing Paul C. Snyder general agent for central Pennsylvania with headquarters at Harrisburg, the State Mutual Life is establishing a third general agency in Pennsylvania. Mr. Snyder has made an unusual personal production record since his connection with the Penn Mutual in 1921. Starting as agent and operating in Harrisburg and Philadelphia, he averaged more than \$250,000 annually for the next 11 years, his largest production being approximately \$750,000. In addition to personal production, at this time he was also working as production manager in his agency.

In 1932 he made a connection as general agent for the Connecticut Mutual in Harrisburg. Mr. Snyder was born in

Pave the Way—An accident policy sale is the easiest way to get acquainted with your prospect and pave the way for other lines. For suggestions that sell read *The Accident & Health Review*, A-1946 Insurance Exchange, Chicago. Sample 10c.

Community Selling Is Just Ahead!

Group principles applied to individual needs—Benefits not before available—Widened field of prospects—Multiplied insurance contacts—Many sales daily—Cash with application—Greater persistency of business—Increased profits—The best training plan we have used for development of new agents.

Does this thought suggest anything to you?

O. R. McAtee, Director of Agencies.

REPUBLIC NATIONAL LIFE INSURANCE COMPANY

"Registered Policy Protection"

THEO. P. BEASLEY
President & General Manager

Home Office:
Dallas, Texas



Can You Offer Him a Low Cost Policy?

General Mutual's preferred risk policy belongs in your portfolio. Why? Because it enables you to meet competition—when you're talking to the thrifty buyer of life insurance. . .

write-**THE GENERAL MUTUAL**

LIFE INSURANCE CO.

VAN WERT, OHIO

C. M. PURMORT, President



FOR AGES TO COME

Brookville, but was raised and educated in Harrisburg, where his acquaintance is wide. Until the war, during which he served in the navy, he was eight years in the advertising business on the west coast in a sales capacity.

Carl Lutz Enters Insurance

Carl Lutz has been appointed general agent of the Bankers Life of Nebraska in northern Kansas. He was formerly a locomotive engineer for the Rock Island railroad at Fairbury, Neb. He broke his forearm and while recuperating he became interested in life insurance and hence decided to cast his lot in that occupation.

Bennett Sedalia General Agent

Fred J. Bennett becomes general agent of the Bankers Life of Nebraska at Sedalia, Mo. He was educated at the University of Missouri. He has had about 14 years of selling experience.

Conway Appointed at Syracuse

Paul H. Conway has been appointed general agent at Syracuse for the John Hancock Mutual Life. He will succeed E. B. Baxter, who has resigned in order to devote more time to personal produc-

tion. For the past two years Mr. Conway has been associate general agent of the Floyd Chase agency at Albany. He is a C. L. U. and has been prominently identified with the National Association of Life Underwriters as chairman of the committee on cooperation with trust officers. He has spoken to local groups in all parts of the country.

Poynor General Agent

T. F. Poynor has been named general agent for seven counties adjacent to Houston, Tex., by the Guarantee Mutual Life. He has had several years' experience in life insurance with the Amicable Life and Pilot Life. His offices are in 1024 Electric building, Houston.

Dennis Is Arkansas Manager

Andrew McNeil has resigned as manager of the Arkansas agency of the Colorado Life, Denver, and is succeeded by H. L. Dennis, Hot Springs, Ark., who has been district manager for a number of years.

Kenneth Eldredge to Retire

Kenneth Eldredge, general agent of the Postoffice Square agency of the Massachusetts Mutual Life in Boston will

retire April 15. He has been with the Massachusetts Mutual about nine years, the past three years as general agent. He will remain in Boston. No successor has been named.

Stumb Made Supervisor

E. H. Blair, Nashville manager of the Bankers Life of Iowa, has appointed L. B. Stumb agency supervisor. Mr. Stumb, has been in insurance work since his graduation from Vanderbilt University seven years ago. He has been with the New York Life.

Names Kelly in St. Louis

The Ohio State Life has appointed John L. Kelly St. Louis general agent, with offices in the Cotton Belt building. He is a graduate of the University of St. Louis and has been in life insurance 15 years.

Snyder with Minnesota Mutual

J. H. Snyder, former vice-president Commonwealth Life has taken charge of the Dallas, Texas, office of the Minnesota Mutual Life.

Mr. Snyder was formally inducted into office at a banquet in Dallas attended by President T. A. Phillips, H. J.

Cummings, vice-president and agency manager, and numerous prominent Dallas life insurance executives and business men. Before going with the Commonwealth Life, he was supervisor of the Minnesota Mutual for Indiana, Kentucky and Ohio.

Tritch in Charge in Ohio

G. J. Tritch of the home office sales department of the Business Men's Assurance is temporarily in charge of Ohio following the resignation of O. K. Johnson as manager.

AGENCY NOTES

Sidney G. Mason has been appointed general agent for the Kansas City Life at Fargo. His address is Box 148.

C. H. Casper has been named district agent of the New England Mutual Life, with offices at 320 Perkins building, Tacoma, Wash.

The Equitable Life of Canada has opened an additional agency in Toronto under the management of J. W. Aldred. He formerly was in Detroit.

J. W. Gallagher, Eugene, Ore., has been appointed district agent of the Prudential in charge of the Klamath Falls and Coos Bay territory.

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THE BOURSE PHILADELPHIA

AS SEEN FROM CHICAGO

WILL HONOR PAUL HAZARD

President James A. Fulton of the Home Life will be in Chicago next week and on Thursday will give a luncheon in honor of Paul A. Hazard, Jr., of the James F. Ramsey agency, who in the last two months has had a most distinguished record of accomplishment of any of the agents in a group of agencies representing approximately one-seventh of the total territory. Mr. Hazard led the field during January and February. President Fulton makes the trip to give recognition to this outstanding accomplishment. Fellow agents in the Ramsey office will be present as well as a number of his friends.

Mr. Hazard led the entire country in January and February and bids fair to be the March leader. He is one of the foremost producers in the city. The Ramsey agency has averaged fifth place during the first two months. Mr. Ramsey took charge of the agency in October, 1936. He is building a hard-hitting organization.

W. A. KERRY REPORTS GAIN

W. A. Kerry, Chicago manager Manufacturers Life, reports his agency exceeded its February quota in paid business by eight percent. The agency does a substantial amount of brokerage business. Mr. Kerry has been spending considerable time lately traveling in territories surrounding Chicago seeking to establish agency contacts in Milwaukee, De Kalb, Aurora and other districts. Mr. Kerry is an active producer in his own right and a number of years ago pioneered for the Manufacturers Life in South America. While there he spent much of his time in Dutch Guiana and has also been in Cuba.

WANTS AVERAGE PRODUCERS

A general agent in speaking of the caliber of men in his office stated that while he would undertake to manage a million dollar producer, the real backbone of an agency consists of men who produce between \$150,000 and \$750,000. A man who can get \$250,000 or \$300,000 a year makes a very satisfactory agent. If he is writing that much business he is making a fair living, is building up a renewal income and is likely to be satisfied. He is easier to handle than the very large producer.

This same general agent declared that in these times one needs to be injecting into the sales force new material every year. This is particularly true during these changing times. The older men who found it much easier to get busi-

ness in years gone by to some extent are not making the grade. They are inclined to be disheartened. They spend considerable time servicing their old business. The new men have no precedents, traditions or recollections. They enter the life insurance field not knowing its past. These new men are able to go against the current with greater determination because they have not had the easy experience of some years ago.

DIFFER IN AGENCY POLICY

General agents to some extent may differ as to the policy to be followed with their men. Some are very earnest in their contention that a man in the life insurance business should be purely a life man and not be interested in soliciting any other forms of insurance. Those advocating this plan say that if a life man does attempt to secure fire or casualty business he weakens himself in his life insurance production because a prospect will put him off by giving him his automobile insurance or some other line and, therefore, the man will be stymied in closing him for life insurance.

Other general agents say that the main object in building up an organization is to have all the men making a sufficient income to satisfy themselves. If life insurance is dull, then they can still be securing an income through soliciting other lines of insurance. A number of agents feel that they can solicit accident and health insurance along with life insurance, as they are all personal forms. However, the simple pure life general agent even objects to accident and health production.

HONOR PAID MISS JONES

Sara Francis Jones, Equitable Society in Chicago, has had an unusual tribute paid to her in that the executor and trustees of the estate of the late Isaac Dahle, who represented the Equitable in Chicago for many years, have appointed her to look after his insurance, including group coverage and personal life insurance. Mr. Dahle's contract calls for renewals for 10 years. He was a millionaire group producer and also rose to the millionaire class in ordinary production. Naturally he had many clients and had accumulated a list of prospects and other excellent material that he intended to use in production work. Miss Jones, therefore, will take over all this material and service his clients for the benefit of the estate and naturally inherits excellent leads for new business. She has worked along the same line as Mr. Dahle in her in-

insurance work and will be able to render the highest service.

LIFE-TRUST COUNCIL FORMED

The Chicago Life Insurance & Trust Council was organized under auspices of the Chicago Association of Life Underwriters with 55 charter members. Frederick Bruchholz, agency director New York Life and chairman executive committee Chicago association, presided in the absence of F. G. Bray, chairman of the committee on trust cooperation. The purpose is to foster a closer cooperation between life agents and trust officers of Chicago banks. Speakers included Lynn Lloyd, vice-president Harris Trust & Savings Bank; Samuel Marsh, First National Bank; P. B. Hobbs, agency manager Equitable Society; J. C. Caperton, general agent State Mutual Life; A. S. Ingersoll, Mutual Benefit Life, and O. R. Carter, inspector of agencies New York Life. A constitution and by-laws committee was named, including Messrs. Lloyd and Marsh, Harve Page, Northern Trust; G. S. Brown, Penn Mutual; James Slack, Continental Assurance; Ernest Johnson, Connecticut General, and E. W. Hughes, Massachusetts Mutual. The nominating committee, including Lester Forbes, Guardian Life; Ernest Johnson, and Don Cameron, Continental-Illinois Bank & Trust Co., is to report a slate of officers in a few days.

STEAK AND BEAN DINNER CONTEST

A "steak and bean" dinner contest is being accepted with considerable enthusiasm by producers of the F. F. Ehlen general agency of the Guarantee Mutual Life in Chicago. The contest which started Feb. 15 and will run through to March 31, is being staged in conjunction with "Hughes Month" in March, in honor of President J. W. Hughes. The agency is divided into two teams, six agents on each, with the winner being determined on a point basis. Points are given for size of application, cash with application and volume of paid business. The winning team will be treated to a steak dinner by the losers who will be required to witness the ceremony while satisfying their own appetites on beans. The two men exceeding their quotas by the largest percentage will be given special prizes. Other prizes will be given to those meriting special distinction. Last year the contest coincided with "Olson Month," in honor of Vice-president A. B. Olson.

Mr. Ehlen reports that for the first 10 days of March the two teams are running closely together in number of points. One team has 135 points, the other 128. Production during this period has exceeded that for the entire first two months of 1938. The average policy size being \$7,000 with the largest \$18,000. Mr. Ehlen was formerly director of agencies of the Buffalo Mutual Life.

F. J. Wood Among Leaders

Freeman J. Wood, Chicago general agent Lincoln National Life, was in eighth place countrywide for his agency, and fifth place for personal production in February.

Made Claims Supervisor

OLYMPIA, WASH.—L. L. Kueckelhan has been appointed supervisor of claims in the Seattle office of the Washington department by Commissioner Sullivan. In accepting state service Mr. Kueckelhan terminates a long period of service with the Northwestern Life & Accident, having been engaged in managerial and executive duties with that Seattle institution for a number of years. Prior to that he had served with banking institutions as manager of their casualty and fire insurance business.

R. Q. Milstead, Prudential, Cincinnati, led all managers and general agents in the ordinary department of the company on paid for new business, proportionate to allotment, for the year.

Newark to Bid for Mid-Year National Association Meet

NEWARK.—At a meeting of the executive committee of the Life Underwriters Association of Northern New Jersey here it was decided to extend an invitation to the trustees of the National Association of Life Underwriters, to hold the 1939 or 1940 mid-year meeting in this city. The advantages of holding the meeting in this city, next year, will be the close proximity to the World's Fair in New York City, and in addition there is ample hotel accommodations.

Vincent B. Coffin, superintendent of agencies of the Connecticut Mutual Life, and Ralph G. Engelsman, general agent in New York City for the Penn Mutual Life, spoke on "Simplified Programming" at the general meeting.

Mr. Coffin pointed out that an agent must have an adequate reservoir of prospects before any planning can be done. Prospecting must be planned. New channels add new blood, said the speaker, but a life underwriter must know of what he is going to talk about and he must meet the needs of his prospect and be complete in every detail.

Mr. Engelsman stated that planning a sale did not call for an elaborate program. A life underwriter in talking to a prospect is selling him a service and telling him what it is all about.

People do not purchase anything they do not understand, said Mr. Engelsman and the life underwriters must analyze each case. Give a simplified program from the very start. There are three things to remember in selling life insurance. First, the clean up fund, minimum income and retirement.

Cummings at Joint Meeting

O. Sam Cummings, president National Life Underwriters Association, is making an eastern trip in April. He will address a joint meeting of the Troy, Schenectady and Albany associations at the Ten Eyck Hotel in Albany, April 26.

Little Rock, Ark.—Clyde F. Gay, Boston general agent Aetna Life, spoke on "Prosper Our Beginnings." He started his insurance career with the Gordon H. Campbell agency of the Aetna in Little Rock.

Quarter Million Dollar Club Holding Banquet March 25

SAN FRANCISCO — Arrangements have been completed by the Quarter Million Dollar Round Table recently organized, for its first annual stag banquet March 25. The organization, which has 36 members, has invited O. Sam Cummings, president of the National Association to be the principal speaker.

The group was organized by Arthur K. Deutsch, San Francisco's only member of the Million Dollar Round Table. Mr. Deutsch, who has already approached \$1,000,000 in paid business, formed the group with the approval of the San Francisco Life Underwriters Association as a stimulus to other agents. He is chairman of the new organization.

Sales Congress Speakers

Four members of the Quarter Million Round Table who will present features at the coming sales congress of the San Francisco and Oakland-East Bay Associations, April 4 are: E. F. Marbourg, Mutual Life, "Pre-Selling"; A. E. Flamer, Aetna, "Getting Favorable Interviews"; E. T. Golden, New York Life, "The Interview," and L. H. White, Northwestern Mutual, "Post Selling."

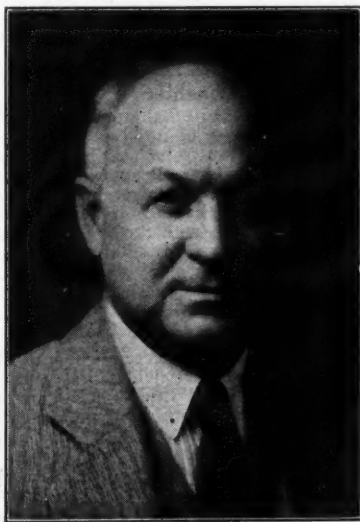
Plan Salt Lake City Congress

At a meeting of the executive committee of the Salt Lake Life Underwriters plans were laid for a one-day sales congress April 4, at which O. Sam Cummings, president of the National association, and Grant Taggart, Cowley, Wyo. million dollar producer of the California-Western States Life, will speak. The Salt Lake, Ogden and Cache Valley associations are sponsoring the congress.

As a "kick-off" for the congress, a 7 o'clock breakfast is planned by the Utah Life Managers with the organization's president, Carl R. Marcusen, Pacific National Life, presiding.

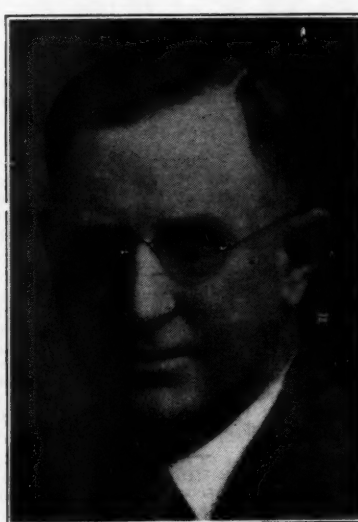
The Pacific National Life sponsored the March meeting. President Carl R. Marcusen of the Pacific National introduced the different speakers. Joseph E. Geertson, Ogden, discussed: "My Blue Print for 1938—Is it Workable?" He

Featured in Davenport Card



FRANK L. JONES

Vice-president Frank L. Jones of the Equitable Society will be one of the speakers at the sales congress in Davenport, Ia., April 23. He will deliver an address on "The Characteristics of Growth."



M. C. NELSON

M. C. Nelson, Des Moines, agency manager for Iowa, Equitable Society, will introduce Mr. Jones. Mr. Nelson will have at least 50 of his organization at the sales congress, which is expected to draw big attendance.

POLICIES for WOMEN as SURPLUS LINES

Reliance Life has policies of insurance for business women and professional women, as well as for married women. In many cases, a man who is non-insurable may want to have insurance written on his wife. All these Reliance Life policies for women may be written as surplus lines.

Other Reliance Life Insurance which is available as surplus lines, includes: Juvenile policies, accident and health insurance, participating and non-participating policies.

RELIANCE LIFE
INSURANCE COMPANY OF
PITTSBURGH

More than a Hundred Million of Assets

Branch Offices in 32 Cities

stressed the adoption of a definite plan and then working to it.

Lewis T. Ellsworth, Salt Lake, talked on "Sensible Planning." He disapproved of presenting the actuarial features of a life insurance contract, which usually goes over the heads of prospects. "Talk life insurance to your clients," he said, "leave the technicalities to the home office. Tell the man with a family what the policy will do for his loved ones should he pass out of the picture, and what it will do for him should he survive a certain number of years."

Ray H. Peterson spoke on "Paying the Price." "The most important job of a life agent is prospecting," he said.

Topeka, Kan.—Laird Dean, president of the Merchants National Bank and vice-president of the Kansas Bankers Association, spoke on "Relations Between Life Insurance Companies and the Banks."

Cleveland.—The Cleveland association, winner of the first prize award for the past two years, is pointing for another big Life Insurance Week. Since the National association is furnishing only small posters this year, the Cleveland association intends to make up larger posters for stores, lobbies, etc. Local "ads" will be inserted in the three Cleveland papers in addition to national copy. Billboard contracts have been signed, and 10 or 15-minute radio skits will be offered over station WGAR with professional talent. Over \$4,000 will be spent in the local campaign.

Lincoln, Neb.—The directors have approved a plan for the establishment at the chamber of commerce of a collection of books on the various phases of life insurance salesmanship. Each office is to be asked to give at least one book, and later C. L. U. books available to all will be added. At a ladies night meeting Isadore Samuels, Denver general agent for the New England Mutual Life, spoke.

Pittsburgh, Kan.—At the March meeting T. G. Honn, chairman national essay contest, stated that school officials will be contacted soon to complete plans. D. D. Daily, Jr., Massachusetts Mutual, is chairman of the committee for annual message of life insurance and has appointed subcommittees to take charge of various features.

Columbus, O.—Plans have been completed for the annual sales congress to be held Saturday. Dr. Otto Mees, president of Capital University, and a vice-president and director of the Lutheran Brotherhood, will speak at the luncheon. Other speakers are Holgar J. Johnson, Penn Mutual, Pittsburgh; Leon Gilbert Simon, Equitable Society, New York; J. Harry Wood, John Hancock, Boston, and J. M. Gantz, Pacific Mutual, Cincinnati.

Fort Worth, Tex.—On March 21 at 9 p. m. over KTAT, the Fort Worth association will begin a series of broadcasts. The programs for the most part dramatize life insurance with stories in which insurance features will be portrayed. The enterprise is non-partisan as those taking part will not be known to the public.

St. Paul.—F. H. Haviland, vice-president Connecticut General Life, will speak March 23 on "What Lies Ahead?"

Fort Wayne, Ind.—"The Young Man's Viewpoint of the Life Insurance Business" was discussed by Henry J. Pierce, Indianapolis agent for the Massachusetts Mutual.

Madison, Wis.—C. W. Tomlinson has been named chairman in charge of the study seminar in which more than 50 underwriters in Madison and vicinity are participating in a cooperative study and training project each Saturday morning at the Vocational school, for two hours for a period of 12 weeks. Local company officials, general and district agents and successful producers comprise the faculty of lecturers. The enrollment included agents from Baraboo, Portage, Poynette, Soring Green, Lodi, Beloit, Monroe, Orfordville and Monticello.

Racine, Wis.—At the first monthly meeting, following organization, Alvin Moser, Aetna Life, Milwaukee, chairman of the extension committee of the Wisconsin association, and Frank C. Hughes, Mutual Benefit Life, Milwaukee, were guests. Mr. Moser extended an invitation to the state convention at Sheboy-

gan, May 12, and the national convention at Houston, Tex., next September. The Racine association voted to become co-extensive with state and National associations. Mr. Hughes spoke on "Our Business and Its Responsibilities."

Sheboygan, Wis.—Lester Nelson discussed "Albums." The Sheboygan association will be host to the Wisconsin association at its annual convention May 12.

Springfield, Mo.—T. G. Scanlon, agency organizer Mutual Life of New York in Kansas City, gave a practical and interesting setup on the three point interview—death, disability and old age—employed by his agency. The three points, he said, could be used effectively as a part of the first interview to determine the prospect's desire to insure and purchasing ability. Roy A. Sullivan, president, presided. J. S. Buckner, chairman of the membership committee, reported a paid membership of 25. Mr. Sullivan gave results on the high school essay contest. J. A. Maher, chairman of the underwriters committee of the District Social Hygiene Association, told of the association's progress.

Columbus, O.—Dr. B. E. Wyatt, educational counselor of the American College of Life Underwriters, discussed the plans, progress and advantages of the C. L. U. movement.

Pittsburgh.—Louis Behr, Equitable Society, Chicago, will speak on "Programming" April 1.

Wichita, Kan.—Leo R. Porter, general agent of the Lincoln National, and his staff had charge of the meeting, discussing "How to Manage You, Incorporated." At the previous meeting Thomas Newhall, financial vice-president of the Penn Mutual, spoke.

La Crosse, Wis.—A local has been organized, co-extensive with the Wisconsin and National associations. Alvin Moser, Aetna Life, Milwaukee, chairman of the extension committee of the state association, addressed the initial meeting on the advantages of affiliation with state and national associations. Temporary officers named are: O. W. Muenster, Aetna Life, president; Walter Filler, Bankers Life, vice-president, and H. W. Horst, Central Life of Iowa, secretary-treasurer. They will serve until the annual meeting in June.

Eau Claire, Wis.—A new association was launched at a meeting of 30 agents representing every life company operating here. It is proposed to open the membership to agents in the nearby cities of Chippewa Falls and Menomonie. W. C. Vollendorf, Equitable, was named temporary president; M. O. Solberg, Mutual Trust Life, vice-president; N. G. Fleming, Northwestern Mutual, secretary, and Merle Joseph, treasurer. A membership campaign is being put under way in charge of C. J. Moulton, chairman. Alvin Moser, Milwaukee, treasurer of the Wisconsin association, attended the organization meeting.

Madison, Wis.—A women's section has been formed with Miss Genevieve Townsend, Business Men's Assurance, as president.

Toledo, O.—W. M. Rothaermel, vice-president Continental American Life, spoke on "The Four A's." E. O. Barton, Toledo general agent of that company, introduced the speaker.

Montreal.—Trevor Hoggood, manager of the central Toronto branch of the Canada Life, was the speaker this week. He joined the company in 1926 as head of the group sales department. He became manager at Manitoba in 1929. In 1935, he opened a new office in Toronto and during the first year had a total production of \$1,000,000.

Atlanta.—R. B. Hull, managing director National association, will speak March 17 on "64,000,000 People—\$110,000,000."

Dezso Garay, a Cleveland agent of the Ohio State, has completed nine years of consecutive weekly production.

The 1933 Unique Manual-Digest covers all life insurance statistics. \$5. National Underwriter.

VIEWED FROM NEW YORK

By R. B. MITCHELL

Practicing Before Mirror

Lester Rosen of New York Cites Method as Good Training in Self-Expression

When Lester Rosen of the Knight Agency, Union Central Life, New York, advised members of the New York City Life Underwriters Association to practice sales presentations before a mirror he wasn't preaching something he doesn't practice himself. He says it is not difficult to proceed after getting over the initial foolish feeling, as one becomes interested in improving the obvious flaws in presentation that appear, which are more important than whether anybody in his right mind should be talking to himself in a mirror.

Interested in Public Speaking

It is with some surprise one learns that Mr. Rosen has long taken an interest in public speaking and has devoted a good deal of time to perfecting himself in this form of self-expression. But he has mastered this medium, rather than the other way around. The net result is that people find him interesting and likeable—a process that would be hindered if they were awed into admiration of his forensic talents.

At present Mr. Rosen is taking a course at Columbia University on "The Body in Acting." In fact, he invited his professor to sit in the audience during his talk before the New York association. His first course in public speaking was at the Brooklyn Central YMCA. He took it at the suggestion of his father, who had taken the same course as a young man many years before.

Belongs to Speakers Club

Mr. Rosen belongs to the Speakers Club, a 30-year-old organization which meets every other Tuesday. Every member present is required to make a five-minute talk on any subject. The club dines together in the evening and by 10 o'clock everybody has spoken his piece. The club has several hundred members. At each gathering some non-member qualified to act as a critic is a guest and is asked to give his opinion of each member's performance.

Mr. Rosen went into life insurance selling following his graduation from the Wharton School of the University of Pennsylvania in 1933, at the bottom of the depression. But it was an auspicious time for Mr. Rosen. For the last three years he has been a member of the Million Dollar Round Table and is its youngest life member.

Canada Life Cashier

The Canada Life has appointed P. J. Harwood cashier of its New York City branch. Previously he was branch secretary of the New Brunswick, Prince Edward Island, organization for four years. The post he vacates will be filled by H. A. Bailey, with the title of acting branch secretary. Mr. Bailey has had wide experience in many departments of the head office.

Kapp Succeeds G. R. Clark

Henry I. Kapp succeeds George R. Clark as home office field representative of Security Mutual Life of Binghamton for New York City and the eastern territory. Mr. Clark has become general agent in Boston.

Mr. Kapp will be located at 123 William street, New York. For the last 10 years he has been an agent for the Phoenix Mutual Life.

Ill Wind Blows Good

The deplorable condition of Wall Street has made the going hard for agents specializing on financial men, but it has made good prospects out of young, single men in the age group from

25 to 40 who have been putting most of their spare cash into the market. Unlike married men of corresponding ages and income levels, these bachelors usually have a substantial margin above their needs. They are logical prospects for retirement annuities. Many of them have become thoroughly disgusted with the stock market and some agents are having considerable success in crystallizing this disgust into applications for retirement policies.

Among the married men from age 25 to 40 scarcity of money is the stock objection. Salary raises have not been widespread and those who have been fortunate enough to receive them have usually been pulling in their belts so long that they can think of many more pleasurable ways to spend the extra money than buying life insurance or retirement policies.

INDUSTRIAL

Adriance to Brooklyn

C. A. Adriance, who has been district manager of the John Hancock industrial office in Amsterdam, N. Y., has been made manager of Brooklyn, N. Y., No. 6. He is succeeded at Amsterdam by M. F. Fitzgerald, formerly assistant manager at Syracuse. Mr. Adriance began his insurance work in the John Hancock Albany office.

Bryan Accident-Health Head

Oscar I. Bryan, vice-president of the Union Life of Richmond, who has been manager of the Norfolk district for some years, has been transferred to the home office at Richmond and placed in charge of the accident and health division, a newly created position. D. P. Robertson, assistant manager of the Norfolk district, has been advanced to manager.

Honored on 20th Anniversary

The 20th anniversary of C. W. Riebringer with the Prudential was observed at a dinner in Kalamazoo, Mich. He is one of the two Kalamazoo managers. About 40 Prudential representatives were in attendance. J. S. Baum, Battle Creek, division superintendent, was the main speaker.

New Colonial Life Branch

The Colonial Life has established a new branch office in Westchester, Pa., with Samuel Herman as manager. He has been assistant manager of the Norristown, Pa., office. He will be assisted by H. N. Clinton and F. C. Mattson.

Sheedy Goes to Albany

R. J. Sheedy, former Metropolitan Life supervisor in New York, has been appointed manager of the Albany metropolitan district, with headquarters at 75 State street.

Davis 35 Years with Prudential

John T. Davis, superintendent of the Bloomfield, N. J., office of the Prudential, has rounded out 35 years of continuous service.

Walter P. Marcrum, 53, superintendent for the Prudential at Logansport, Ind., died of a heart attack.

R. C. Stephenson, manager of the Prudential in Madison, Wis., since 1908, is observing his 33d anniversary with the company. His agency force is marking the occasion with a special drive for new business.

L. A. Mack's Mother Dies

Mrs. Helen Whaley Mack, mother of L. A. Mack, publisher of the "Weekly Underwriter," died at her home in Montclair, N. J., at the age of 87.

"Thought and Action" Is Theme in N. Y. Course

NEW YORK—What to say in those vital seconds when the prospect is making up his mind whether to like you and your proposition or turn on his standardized sales resistance was analyzed and prescribed for by Lester A. Rosen, Union Central Life, and H. H. Wilson, manager Equitable Society, in the Life Underwriters Association's lecture course here. Following the "Thought and Action" theme of the course, Mr. Rosen discussed the principles involved in such instances and Mr. Wilson cited specific examples on just what to do and say.

Selling the Stage

Observing that "you can as effectively make love to a girl in a crowded subway car as to sell to a man in a busy office," Mr. Rosen stressed the necessity of setting the stage before trying to sell. Disclaiming any desire to proselyte those wedded to a successful one-interview system, Mr. Rosen said his method calls for at least one preliminary interview in which the sole object is to set the stage, bringing the prospect around to a frame of mind receptive to the actual sales interview.

Establish Common Ground

The preliminary interview, he said, should be devoted to establishing a common ground and this does not mean merely bringing up the name of the man from whom the agent got the prospect's name and then entering the sales talk as if all possible barriers had been removed. The agent should keep the mutual acquaintance in the conversation long enough so that some congenial topic of conversation arises, opening the way for a friendly chat. Then there is no longer any need to lean on the acquaintance.

The agent and the prospect are now friendly, the prospect feeling here is a man with whom he would like to do business. This makes it easy and natural to get the prospect to agree to any future appointment.

However, if it should turn out that when the agent shows up for the consultation the prospect is obviously rushed and says, "I can give you three minutes, sit down and let's talk about it," no selling whatever should be attempted. Instead, the opportunity should be used for further stage setting and another appointment arranged. It is particularly important that whatever is said in the preliminary interview it should evoke a positive response, whether the question has anything to do with insurance or not, Mr. Rosen emphasized.

Develop Sales Personality

The agent should take steps to develop a positive sales personality rather than worry too much about his technical knowledge of life insurance. He advocated study of selling methods that have succeeded in other lines and urged development of skill in presentation even to the extent of practicing sales talks before a mirror. While the agent may laugh himself sick the first time he tries it, there is no better way of finding the weak points in one's sales talk, he said. Agents are often surprised to learn the reason their supposedly sure-fire sales arguments fizzle out is that intonation, gestures and facial expression are doing nothing to help put ideas across.

Visual Selling Principle

Among the valuable specific pointers offered by Mr. Wilson, his application of the visual selling principle was the most striking. He explained how his agency uses charts aimed to fit any particular situation and arranged to typify most prospect's estate problems to whom they are shown. The charts are made up for estates of various sizes, the agent using the one approximating what he believes his prospect's own situation.

While the diagrams are simple, they effectively show the prospect what can be done. Use of colored inks enhances the eye appeal along with a code.

Motivating Is Stressed by Kuehner and Dawson

(CONTINUED FROM PAGE 3)

agent must convince the man that he can't lose, by discussing the action pursued in all eventualities—death, life, and relinquishing of the policy.

At that point the prospect might object that he "can't afford it." "This means simply that the benefits as presented do not justify the cost. The benefits must look good, and the cost must look small." Here Mr. Dawson suggested another try for action.

Two Cardinal Rules

Finally, Mr. Dawson mentioned two cardinal rules for the agent to be conscious of during the closing process. The first was that he be willing to spend as much time as is necessary. "The life salesman looking for a short-cut for closing will always be a failure," he said. "The public is becoming wiser and more careful, men are beginning to weigh the merits of a proposition today far more closely than back in 1924. Time is a powerful factor; a man has a right to think through the negatives. Then he'll not be apt to surrender the policy once he has signed, and the agent's income from the sale will not be lost."

The second rule for the agent is that he show a sincere enthusiasm for what he is selling. "Enthusiasm, when sincere, is a powerful closing aid," Mr. Dawson said. "Be conscious of your own attitude. Be positive-minded."

W. Watson House, Hartford general agent for New England Mutual, was chairman. Speakers this week will be Chester O. Fischer, Massachusetts Mutual Life, vice-president, and Lewis O. Kinne, assistant secretary Aetna Life.

H. E. Alles, for the past 11 years assistant manager of the Detroit agency of the Fidelity Mutual Life, has joined the Lamphar Agency there, specializing on life insurance.

C. W. Baldwin Agency Head of Sunset Life of Olympia

C. W. Baldwin, for the last 10 years Connecticut Mutual general agent in Seattle, has been appointed vice-president and director of agencies for the Sunset Life of Olympia, Wash. The company was organized two years ago. Recently a casualty company was started as a running mate and is selling accident and health insurance. The Sunset Life operates only in Washington. A short time ago the Mutual Service Life of Spokane was taken over by the Sunset Life. Mr. Baldwin became an agent of the Phoenix Mutual in Seattle in 1924 and some three years ago he was appointed Seattle general agent of the Connecticut Mutual.

Murrell, Territory Widened

LOS ANGELES—T. G. Murrell and W. L. Murrell, Pacific coast supervisors for the Mutual Life, and general agents for Los Angeles territory, have returned from a seven weeks stay at the home office, where they participated in the general agents conference and in the tests of the "Analograph," the plan of training men adopted by the company. The plan, invented by F. D. Haselton, assistant superintendent of agencies, calls for a month's course before agents are permitted to use it.

Mr. Haselton will be in Los Angeles April 14, to conduct a month's school for agents and then will proceed to San Francisco, Seattle, Portland and Spokane, where similar schools will be held. He will be accompanied to the Northwest by Tom Murrell, who will assist.

Following his completion of the training Mr. Murrell made seven canvasses in Wall street, and before he left for home had closed four of them for a total of \$94,000 in insurance.

The Murrell Brothers have had added to their territory the Salt Lake general agency comprising Utah and Idaho.

Says 110 Billions in Force in U. S. Is Peace Mandate

(CONTINUED FROM PAGE 3)

they were worth that Dec. 31, 1937, and are now.

"Much has been said of certain industries leading the country out of the depression, but apparently it was not widely recognized, except among life insurance people, that this institution played a tremendously important part in mitigating the severity of the depression for millions of people by distributing literally billions of dollars to policyholders and their beneficiaries; through providing work for many others; through fostering self-reliance, foresight and initiative, as contrasted with dependence and the need for governmental charity and relief measures.

Helped to Bolster Nation

"It is estimated all life insurance disbursements totaled more than \$3,000,000,000 last year. Life insurance also bolstered many industries and utilities by helping to fund their obligations, and life insurance was one of the greatest supporters of government by buying its obligations in huge amounts.

"Figures show that life insurance moved ahead strikingly in a time when general business was very much at a standstill. Total life insurance in force is estimated to have increased last year from \$104,666,000,000 to \$110,000,000,000, or approximately 5 1/2 billions. Sales of new life insurance increased 3 percent to

4 percent. Premium income rose approximately 100 millions, being around \$3,750,000,000. Total income exceeded five billions.

"It is no surprise to life company executives to see their companies coming through hard times in splendid shape. Long ago it was planned that way. For life companies operate on the scientific law of averages, not alone as regards mortality, but also in respect to investments and their territorial allocation; life insurance risks and their spread over wide areas to guard against local disturbances having undue effect on the experience; and even in regard to real estate mortgages that are bought. Broad diversification, carefully worked out and perfected over the years, greatly helps to make life insurance so sound and stable.

Continuing Cash Income

"Insurance companies have continuing cash income from collection of premiums and from interest on other investments, rents, etc. They can, as in the case of farm and urban real estate investments of the depression years, temporarily disregard low values and yield in any division, and wait for a return to normal conditions.

"Growing recognition of this vital principle in part accounts for the fine record of life insurance last year and in the years that went before. Company officials and agents have done important work, but mainly the 110 billions of life insurance in force represent the will of the people—a mandate to preserve law and order, peace and contentment for the American people."

FREE!

for the asking

A four-fold sales packet of the "hottest" profit-building material you've set your eyes on in many a day. And that's not on our say-so! That's what live-wire producers are saying about the new Paymaster Programs. Their actual production increases directly attributed to this modern insurance package idea are "proof of the pudding."

Note To Skeptics:
We'll also send you case records as proof of these production claims.

Address your letter to James A. Preston

THE COLUMBUS MUTUAL
Life Insurance Company
COLUMBUS OHIO

NEWS ABOUT LIFE POLICIES

—BY J. H. RADER—

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.50 respectively.

Connecticut General Move

Issues Temporary Participating Plan That Contains Several Unusual New Family Income Features

The Connecticut General has now for the first time a participating temporary insurance plan. This is in the form of what is commonly known as the family maintenance rider, and will be issued for periods of 10, 15 or 20 years, in connection with permanent plans of insurance in the participating department only.

The rider provides that an income will be paid to the beneficiary for 10, 15 or 20 years after death of the insured and payment of the face amount of the basic policy at the end of that time providing such death occurs during the term period. After expiration of the term rider, if the insured is still living, the premium reduces to the extent of the extra premium that was charged for the rider.

These riders are convertible to permanent forms of insurance within 7, 10 and 15 years, respectively, from the date of issue but are convertible as of the attained age only. Although these riders do not affect the non-forfeiture values of the contract, so far as amounts are concerned, the company does make this unusual provision, "If, while a policy is running under the extended or paid-up insurance option, a claim occurs within a term of years after the original date of issue equivalent to the family maintenance period, the proceeds are held by the company for a term of years equivalent to the family maintenance period and during the interval interest is payable monthly in advance at the rate of \$2.46 per \$1,000 of proceeds."

Another unusual feature is that double indemnity will be issued on both the original policy and the family maintenance rider with the income under the rider being doubled instead of the extra amount being paid in a lump sum. The family maintenance riders are participating and the dividends will be added to those of the regular policy.

Another change that is being made at the same time is the allowance of the family income rider to be issued with the convertible to age 65 contract. The family income rider as distinguished from the family maintenance provides an income during a specified number of years from the date of issue should death occur during that period. It has been issued for some time as has the convertible to 65 but up until the present it has not been possible to combine the two.

	20 Yr. Plan	15 Yr. Plan	10 Yr. Plan
	Div.	Div.	Div.
Age	Prem. Yrs.	Prem. Yrs.	Prem. Yrs.
15	\$9.56	\$71.23	\$7.65
16	9.67	71.35	7.73
17	9.78	71.50	7.81
18	9.90	71.64	7.88
19	10.04	71.78	7.97
20	10.19	71.95	8.05
21	10.37	72.20	8.14
22	10.55	72.38	8.24
23	10.75	72.63	8.34
24	10.99	72.91	8.47
25	11.26	73.26	8.62
26	11.56	73.60	8.78
27	11.89	74.03	8.95
28	12.26	74.39	9.19
29	12.65	74.92	9.44
30	13.12	75.46	9.72
31	13.63	76.12	10.04
32	14.19	76.83	10.40
33	14.82	77.59	10.80
34	15.51	78.50	11.24
35	16.28	79.46	11.75
36	17.14	80.59	12.30
37	18.07	81.79	12.91
38	19.08	83.09	13.57
39	20.19	84.57	14.30
40	21.41	86.15	15.10
41	22.72	87.90	15.96
42	24.15	89.87	16.91
43	25.70	91.99	17.95
44	27.39	94.23	19.08
45	29.22	96.70	20.31
46	31.20	99.42	21.65

	20 Yr. Plan	15 Yr. Plan	10 Yr. Plan
	Div.	Div.	Div.
Age	Prem. Yrs.	Prem. Yrs.	Prem. Yrs.
47	33.35	102.34	23.11
48	35.66	105.56	24.72
49	38.18	109.98	26.45
50	40.89	112.68	28.35
51	43.80	115.68	30.40
52	46.90	118.98	32.63
53	50.20	122.58	35.05
54	53.70	126.48	37.66
55	57.40	130.68	40.49

Indianapolis Life Issues Double Protection Policy

By combining equal parts of permanent life and term, the Indianapolis Life produces what is called the double protection policy. The term premium included in this policy is much lower than the regular term rates of the company per \$1,000 because of the savings occasioned by having it issued in conjunction with another policy. The term portion is convertible as of the attained age of the insured or as of the original date, whichever may be desired and such conversion may take place within 7, 10 or 15 years under the 10, 15 or 20 year term plan, respectively.

The company points out that this contract insured the insurability of the prospect who may feel the need for a larger amount of insurance now or in the future, but is unable at present to pay for it on regular plans. The double protection provision may be attached to new life, modified life, endowments and income endowment policies, and the extra premium is payable only during the double protection period. Double indemnity will not be issued on this portion of the contract, although the permanent plan with which it is combined may carry the double indemnity feature. Herewith is given the extra premiums to be added to the cost of the \$1,000 principal policy:

	Without Disability	With Disability
	20 Yr. Plan	10 Yr. Plan
Age	Year Plan	Year Plan
18	\$5.77	\$5.65
20	5.96	5.78
25	6.53	6.15
30	7.65	6.87
35	9.77	8.43
40	13.45	11.30
45	16.09	13.39
50	19.54	16.41

Triple Combination Contract Issued by Colorado Life

A "triple combination" participating policy has been brought out by the Colorado Life, which is explained as ordinary life if the policyholder dies, but 20-pay life or old age endowment if he lives. The purpose is to give flexibility so the applicant need not make a decision at the time of purchase as to type of contract that will bind him for duration. The contract starts as 20-pay life. However, if maximum amount of insurance is needed at low cost, the policyholder may pay the ordinary life rate of age at issue, the difference in premiums except for the first annual premium being returned at 3% percent compound interest. If the policyholder dies while premiums are being paid on the 20-pay life basis, the proceeds payable will be face amount plus the difference in premiums between 20-pay life and ordinary life at 3% percent compound interest except for the first annual premium.

At the end of 20 years if the policyholder desires to take the difference in premiums plus interest and continue the policy as ordinary life, he will have an ordinary life policy with full 20th year

ordinary life cash and paid up values. However, if he desires he may continue the premium on the 20-pay life basis until a certain age when the policy will mature as an endowment for the face amount. If he does not desire the cash at that time, he may take a life annuity, the amount of the annuity being printed in the policy.

In case of the annuitant's death before he has received the face amount of the endowment policy used to buy the annuity, payments will continue to beneficiary until the total paid to annuitant and beneficiary equals the face amount.

It is pointed out that in case a policy loan is desired, this may never need to be more than the amount of the difference between the ordinary life premiums and 20-pay life premiums, which the policyholder may take down at any time. Instead of paying interest for it, he receives interest on the excess that he had paid, and still has an ordinary life policy that is unencumbered.

Dividends on Two Forms of American United Published

Dividend schedule for 20-payment life and 20-year endowment policies are announced by the American United Life. The term plans sold by this company are nonparticipating. Illustrative dividends on the two forms at quinquennial ages, are:

	20 Pay Life	20 Year Endowment
	1	5
Age	End of Year	10
20	\$1.73	\$1.84
25	1.76	1.90
30	1.83	1.98
35	1.92	2.10
40	2.04	2.18
45	2.11	2.32
50	2.27	2.58
55	2.58	2.96
60	3.07	3.47
65	3.71	4.12

Now Is Writing Juvenile

Juvenile insurance is being issued by the Pacific Mutual Life on 20 payment life, 20 year endowment and endowment at age 18 plans, and also payor insurance, providing premium waiver to age 21 of the insured child should the applicant die or become permanently disabled.

Loan and cash values, settlement options, non-forfeiture provisions and graded death benefits to age 5 are offered. Policies will be issued from birth except in states where laws do not permit juvenile insurance under age 1. Maximum limits range from \$2,500 for children age 5 or under, to \$5,000 for 6-9. From age 10 upwards regular forms apply.

To Issue New Rate Book

A new rate book embodying changes in style and shape will be published this month by the Lincoln National Life in bound form. This will save inside marginal space thus that will make it somewhat thinner. Changes in shape will better fit it for agents' pockets. Rates will be arranged according to age instead of by policy forms. It will include the changes recently announced in rates on higher premium contracts.

Dividend Policy Confirmed

The Security Mutual Life of New York has now made official the recent tentative announcement that no dividend change is to be made for the year beginning May 1. Interest on proceeds of policies and dividend accumulations will remain at 3% percent.

Sales-making facts and figures are given in the Little Gem Life Chart.

C.L.U. NEWS

INDIANAPOLIS MEETING

W. M. Morris, actuary of the State Life of Indiana, addressed the Indianapolis C. L. U. on "Some Common Fallacies About the Life Insurance Business." E. A. Krueger, past president of the chapter, introduced the speaker and Ross M. Halgren presided.

Mr. Morris pointed out that there is no essential connection between cash surrender values and the arithmetical reserve factors which companies use in computing life insurance liabilities. The common expression, "surrender charge" is a misnomer, and creates a wrong impression.

A popular fallacy Mr. Morris said, is contained in a statement that "the insured who takes a policy loan pays 6 percent for the use of his own money." The fact is that, out of this 6 percent, he is credited in the accumulation of reserves with usually 3½ percent, and the balance is barely sufficient to pay the expense incurred, which would otherwise be borne by the main body of policyholders.

The stress placed in advertising on the billions of assets held by the life companies creates the wrong impression, that the companies are wealthy in their own right. It should be emphasized that all these billions are earmarked for very definite liabilities or carefully estimated contingencies, Mr. Morris declared, and are in any event merely held in trust for the insured public.

HARTFORD MEETING

C. O. Fischer, vice-president Massachusetts Mutual Life, will be the guest speaker at a dinner to be given the Springfield, Mass., C. L. U. by the Hartford chapter Friday night. E. Benjamin, president of the Hartford chapter, will preside.

The committee in charge of arrangements includes R. E. Love, chairman; E. S. Churchill and G. B. Dorr, Hartford; A. F. Stolz, New Haven, and C. K. Litchard, president of the Springfield chapter.

CINCINNATI COURSE

W. H. Strauss, Northwestern Mutual, is conducting a 10-weeks course in law and taxation for a number of men who are working for the C. L. U. degree under the auspices of the Cincinnati chapter.

START NEW YORK REVIEW COURSE

The New York C. L. U. chapter will begin a review March 25 in preparation for part of the C. L. U. examinations to qualify for chartered life.

Vetoes Deposit Measure

FRANKFORT, KY.—Governor Chandler vetoed a bill to reduce greatly the statutory deposit of domestic life companies. This bill provided no domestic life company should post less than \$100,000 nor more than \$500,000, whereas the existing law requires securities total the amount of par value of capital stock of the company actually issued.

Nebraska Institute Meeting

At the monthly meeting of the Nebraska Insurance Institute at Lincoln, Insurance Director Smrha spoke on "The Insurance Kaleidoscope." He discussed the meetings of insurance commissioners that he had attended and dwelt on the changing picture of life insurance, the progress which has been made in the acquirement of business and handling it. He touched on the necessity of a relentless warfare against automobile accidents. T. A. Sick, vice-president Security Mutual Life of Lincoln, who is the Institute president, presided.

LEGAL RESERVE FRATERNALS

Illinois Congress Gathers

W. E. Mooney Presides in Absence of President Stock at Chicago Convention—All Officers Reelected

The Illinois Fraternal Congress, which held its annual meeting in Chicago, was considerably handicapped by the absence of President J. P. Stock, Maccabees, because of illness, and R. H. Matthias, Lutheran Brotherhood, secretary, who was out of the city on a business trip. However, the one-day session was ably conducted by Acting Chairman W. E. Mooney, attorney Woodmen of the World. Other officers in attendance were Vice-president Joseph Sheen, Security Benefit Association, and C. J. Del Vecchio, Royal League, treasurer. Mr. Sheen acted as secretary pro tem in the absence of Mr. Matthias. About 100 attended the meeting with 44 societies represented.

President Stock's Report

The secretary's report for 1937 showed 83 societies and six individuals as members of the congress. Five new members were enlisted during the year. Present record shows 60 societies enrolled for 1938. In Mr. Stock's absence, the president's report was read by Mr. Mooney. Mr. Stock in reviewing some of the major events during the past year said in his report that although some features of the Illinois code were found objectionable to fraternal societies, good features considerably outweighed the bad and the congress should go on record as unanimously approving it. He spoke of the vigilant and successful efforts that have been made in repealing an ordinance passed by the Chicago city council whereby local lodges were

taxed \$5 for any meetings at which refreshments were served. He said had this not been repealed before actually going into effect, it would have worked to the disadvantage of local lodges. Mr. Stock was one of the four officers re-elected at the morning session. Only a few changes were made on the executive committee, which is composed of eight members.

Roy L. Davis Is Speaker

Roy L. Davis, assistant director of insurance, in a short address said the condition and progress of insurance on the "fringe of the depression" was remarkable. Fraternal sell what might be termed "insurance plus" because they render many additional services, he said. He expressed the department's sympathy toward the ideals embodied in fraternal organizations.

Walter Below, president Fidelity Life Association and a member of the executive committee of the National Fraternal Congress, said there is a different attitude today toward fraternal societies among the public than formerly. He advocated the need of more effective publicity methods and spoke of the opportunities in this direction made possible through a national fraternal week. Foster Farrell, secretary-treasurer of the National Fraternal Congress, Chicago, extended greetings from that body. A telegram was also read from Mrs. Dora Alexander Talley, president of the N.F.C., head of the Woodmen Circle, Omaha, who sent felicitations.

Cites Tax Unfairness

A. W. Fulton, Chicago attorney Security Benefit, cited the present premium tax unfairness. Taxation of premium income, he said, was a factor not calculated in the rate setup of fraternal societies, and still threatened in many states and in force in one, New Mexico. The crux of the problem has always been how close fraternal come to discharging the functions of the so-called "commercial" life companies. In most states, he said, the societies are exempt from taxation because of their beneficial and welfare activities, and the fact they are organized not for profit.

Mr. Fulton reviewed a portion of the address given before the N. F. C. at its recent mid-winter gathering.

Open Forum Discussion

Following a luncheon, the afternoon session was devoted to open forum discussion on problems members desired to bring before the congress. Mr. Mooney spoke of the special committee that recently conferred with the insurance department attempting to clear up a ruling of last December as to societies continuing sickness and accident policies on the same basis as established before that time. The department ruled in a blanket order that local lodges could not grant these benefits to members. It was cited in a discussion following that such a ruling might attempt to destroy the true meaning and benefits under the fraternal system. The discussion also included plans for fraternal week and the offering of instruction in colleges on the principles of fraternalism along with regular insurance courses.

Fraternal Get Oklahoma Licenses by Vote of Board

OKLAHOMA CITY—The long drawn out fight between the state of Oklahoma and the fraternal insurance societies was ended Tuesday when the state fraternal board voted to instruct Commissioner Jess G. Read, who is also a board member, to issue licenses to all fraternal societies that had filed application if he found the applications and supporting papers in proper order. These licenses had been withheld by boards supported by two separate governors,

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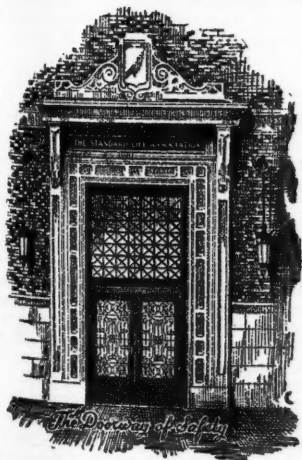
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CLAIMS PAID
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Lawrence, Kansas

Geo. E. Allen President
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Martin Miller Treasurer

overriding the vote of the commissioner, who consistently held they should be issued. The supreme court had held fraternal societies were not subject to the tax sought by the state and there was no tax due from them. There can be no further appeal as the time limit is long passed.

Will Not Admit Fraternal

National Association of Life Underwriters Trustees at Richmond Decide to Withhold Membership

At the mid-year meeting of the National Association of Life Underwriters in Richmond it was decided not to make representatives of fraternal societies eligible for membership in the National and local associations. The trustees approved a report to that effect presented by a special committee headed by Secretary Charles J. Zimmerman and the committee of past presidents also came to a similar conclusion in a special report. The excellent record of the fraternal societies during the depression was recognized in Mr. Zimmerman's report, but two criticisms were made that a fraternal reserves the right to assess its members in the event that the reserves should not be adequate to meet all obligations, and that since the by-laws of a fraternal become part of the policy, amendments to these by-laws would therefore also constitute an amendment to the policy contract.

Despite the excellent depression record of the fraternal, the report states, "it is our feeling that the very existence of these two elements in the policy contract leaves the door open to an unscrupulous use of these powers, thereby causing dissatisfaction of the policyholders. This in turn would reflect on the institution of life insurance generally, and upon representatives of fraternal societies in particular," said the report.

Other objections are raised by the report, including the fact that in some states representatives of fraternal associations need not be licensed by insurance departments. Applications for fraternal do not contain any question in regard to replacement of already existing insurance, that is, the fraternal do not subscribe to the agency practice agreement and other agreements entered into by old line legal reserve life companies for the protection of policyholders. Fraternal society representatives are located in rural districts and a large percentage of them are on a part time basis. There is no uniformity to the scale of commissions or method of compensation paid to fraternal society representatives.

The method under which fraternal societies conduct their business is different to that used by the old line legal reserve life companies and the activities of the societies in social, charitable and civic work set them apart from the life companies.

Although there are many excellent fraternal societies and high class repre-

sentatives, the committee feels that it is difficult to draw any line of distinction.

Sustains I.O.O.F. Demurrer

By sustaining demurrer of the Independent Order of Foresters, Toronto, Can., against a suit brought by the state of Iowa, District Judge Jordan ruled against the state's collection of 2½ percent tax on gross premiums. The suit was started several months ago by the state at the instance of Ray Murphy, then insurance commissioner; Leo Wegman, treasurer, and C. B. Murtagh, comptroller. The I.O.O.F. group has operated in Iowa since 1892. It claimed tax exemption as a fraternal, but paid \$1,392 tax on \$55,688 gross premiums for 1936 pending settlement of the suit.

It is expected appeal will be taken to the supreme court.

Equitable Reserve Rally

RACINE, WIS.—John C. Karel of Milwaukee, president Equitable Reserve of Neenah, was guest of honor at a meeting of his society here when a renewal obligation ceremony was held. Delegations from Milwaukee, Burlington and Kenosha attended. Silver and gold 25- and 30-year emblems were presented to members. Judge Karel, head of the E. R. A. for 17 years and former president National Fraternal Congress and Wisconsin congress, stressed the need of life insurance for every husband and father, urging it to the point of compulsion before a marriage license is issued to protect the future wife and children.

Conduct Peace Program

SHEBOYGAN, WIS.—World war photographs were shown on the screen at a meeting of Camp 2322, Modern Woodmen, by A. C. Richards, who was an official photographer in the U. S. army. David Rabinovitz, attorney, spoke on "Saving America for Future Generations," citing the opportunity of Modern Woodmen and other fraternal to instill the spirit of peace and brotherly love.

Managers Hold Meeting

Twelve district managers of the Modern Woodmen attended a spring sales meeting at Lincoln, Neb. A. R. Talbot, past president, submitted plans for an active business campaign during the next six months.

Tax Uniformity Hearing

BOSTON—Legislative hearing was given the petition of the Massachusetts Association of Life Underwriters for a revision of taxes which now give the Massachusetts savings banks advantage over the legal reserve companies. Proponents favor a uniform tax to make the competition more equitable. Judd Dewey, deputy commissioner of savings bank life insurance, opposed the bill, declaring the yield from the higher taxes would be only about \$9,000 a year.

Hull Calls for Sustained Public Relations Effort

(CONTINUED FROM PAGE 1)

"The position which has been taken by the companies, up to the present, is that life insurance speaks for itself and that it is not dignified, or something, to stick one's neck out, into a debate, which is likely to turn into a cat and dog fight. That was apparently the philosophy which underlay the decision of the companies, as a group, not to oppose the savings bank life insurance bill as introduced in the New York legislature which decision left the agents to fight for amendments to the legislation on their own initiative and under their own power.

Not Undignified, He Says

"We were able to secure, through personal contacts, the aid of one feature-writer and the cooperation of one newspaper, in our effort to tell, in the midst of political recrimination and editorial vituperation, the story of the service of the life insurance agent and the contribution made over the years by the American agency system. Is there anything undignified about that? Or, if that effort could have been multiplied and put into effect in all of the newspaper offices of the country, would there have been anything fundamentally wicked about it? Should that sort of thing be left to the more or less casual and certainly amateurish activities of a life underwriters association?

"All of us here in this room know that life insurance is the greatest single factor in our national life today, for social and economic security. But does the public at large know it? Do the legislators in all the states and in Washington know it? The answer is that we have told them very little, except to policyholders in the making of the sale, except that their premiums were due on such and such a date and in such and such an amount.

"If anything worth while is to come out of all these discussions of public relations, it must be made a permanent part of our institutional management. We must not wait until the crisis comes. Then it is too late and under those circumstances everything that is done is subject to misinterpretation.

Doesn't Blame Writers

"The fact that life insurance is experiencing unfavorable publicity in the daily press and in magazines and from authors, is not altogether the fault of the newspapers and periodicals and those who write for profit. We have been one or more of three things: (1) indifferent, (2) cautious and retiring, on the theory that it was best not to open up a public debate or (3) unequipped. In fact, I have a very definite idea that as an institution we have been guilty of all three of those faults. We have been too indifferent at least to really set about equipping ourselves. And our indifference has been colored by or has found justification in our caution and our reticence.

"It is not difficult to secure favorable publicity for life insurance, nor even to eliminate or answer unfavorable comment, if the job is systematically set up and efficiently operated.

"The establishment of an adequate piece of machinery for the proper education of the public and for the conduct of a dignified, constructive program of public relations for American life insurance, would cost money—more money than is within the realm of possibility for the treasury of the National association.

"All that I am saying should be addressed to the companies. And I am therefore tempted to ask just this one question: 'How long will the companies leave their agents to fight alone these forces of destruction?' They give us a wonderfully helping hand during one week of each year. Why not establish

that same kind of an agency for telling the story of life insurance during the other 51 weeks—not at an expense 51 times what it is costing now, but possibly twice that amount.

"All we ask is that the whole subject be reopened and carefully considered."

Company Officials Oppose Juvenile Limitations

(CONTINUED FROM PAGE 1)

at times to determine what constitutes over-buying of insurance. Fixing an arbitrary limit of \$300 for under age 11 would vastly increase cost in handling this class of business, he said, as industrial insurance is written in multiple of 5 cents a week and at some younger ages 5 cents would buy less than \$300, whereas 10 cents would purchase considerably more than \$300.

Raises Premium Query

Mr. Taylor also said a number of life companies are issuing ordinary life insurance on children and the limitation in the bill would interfere with their set up. He was fearful enough premium income would not be forthcoming under the proposed law to take care of heavy death rate of infants.

New York is one of four states which regulates by statute the amount of insurance which may be purchased upon the life of a child.

Mr. Strong said his company recently put out a juvenile policy. He felt a set-up amount of insurance starting at lower ages was preferable to an arbitrary amount for all ages below 11.

Approves F. H. A. Investments

BOSTON.—Commissioner DeCelles has notified domestic companies his department henceforth will recognize as legal investments debentures issued by the Federal Housing Administration. The notice followed an opinion of the attorney general that insurance companies might invest in first mortgages on small houses and multiple group housing projects supervised by the F. H. A. It is estimated that reserve funds of more than \$100,000,000 of Massachusetts companies would be available for such investment. These surplus funds have been invested in government bonds at 2¾ percent while the housing plan provides opportunity to lend at 5 percent.

Mortgages Taxable in Georgia

ATLANTA—Insurance companies holding mortgages in Georgia are subject to the new tax on intangibles, it was held by Assistant Attorney General Duckworth. Where companies maintain a business status in this state, they will be expected to return for taxation all mortgages and liquid assets.

Under the new law, foreclosure action on a mortgage is banned in the state courts unless return has been made for taxation. However, the mortgagor may recover his rights to sue by paying the back tax plus 25 percent penalty.

C. A. Naylor's New Post

G. W. Geddes, president of the Canadian Life Insurance Officers Association, announces the appointment of C. A. Naylor as its secretary and actuary. Mr. Naylor graduated from the University of Toronto in 1933, winning the gold medal in the mathematics and physics course. He is an associate of the Actuarial Society of America and the American Institute of Actuaries and has passed one-half of the fellowship examinations in both bodies. Since graduation Mr. Naylor has been connected with the actuarial department of the London Life. He succeeds L. H. McVity, whose resignation becomes effective April 1.

L. A. Mack's Mother Dies

Mrs. Helen Whaley Mack, mother of L. A. Mack, publisher of the "Weekly Underwriter," died at her home in Montclair, N. J., at the age of 87.

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SALES IDEAS AND SUGGESTIONS

Sextet of Noted Speakers on Program at Detroit

DETROIT—Gathering at the rallying cry of "Greater Knowledge Brings Increased Courage," 600 life agents from Detroit and many other Michigan communities heard two agents, two general agents and two home office executives discuss various phases of the business at the annual sales congress of the Qualified Life Underwriters here. President S. W. Ryan, Penn Mutual, was chairman at the morning session and Vice-president J. H. Kennedy, Equitable Society, in the afternoon.

Life insurance has been the object of many attacks in recent years, due probably to the decadent thinking of depression years, J. C. Behan, vice-president Massachusetts Mutual and chairman Annual Message of Life Insurance committee, declared. This emphasizes the need for an all-year educational campaign by legal reserve life companies to inform the public correctly about life insurance, he said.

Savings Bank Insurance

Another factor that points the need for educational work is spread of the savings bank insurance plan, which is unfair to the business since it involves much subsidy and no overhead charge. This has been further complicated by radio addresses of a Massachusetts state official who heads the savings bank plan in that state, in which he attacked private life companies.

A cooperative educational fund of \$1,400,000 could be raised among the legal reserve companies by assessing each \$1,000 of business written only 1 cent, Mr. Behan said. Then the public could be informed exactly what life insurance is, what it does and how it does it. This should be an extension of the educational work being attempted in the Annual Message of Life Insurance program which he explained in detail.

Mark Schwinn, Northwestern Mutual agent in Beaver Dam, Wis., who has written more than 100 lives a year for the past 18 years in rural territory, gave his novel talk.

Working Down in Price

Wallis Boileau, Jr., second vice-president Penn Mutual, spoke on "\$2 Up or \$6 down." He based his talk on the tale of a millinery merchant who found that while he had a large number of customers he was not making a satisfactory profit. Most of his sales were of \$2 hats, since his salesmen started a customer at the \$2 rack and worked up. He ordered them to show the \$6 hats first unless otherwise instructed by customers. There is a lesson in this for agents, Mr. Boileau said. Suggest the better grade of policies to clients and higher premium contracts will be sold. At the same time clients will have better protection and better satisfaction. Low grade salesmen and high grade goods don't go together, he said.

"With the exception of one or two contracts, the life insurance companies have no low grade merchandise to offer; but some underwriters sell far too high a percentage of the low premium contracts both for their clients' good and their own. If your own business is not as profitable as it should be, then there is something wrong either with your salesmanship or your methods. Search out these factors that make the difference between failure and success, and correct them."

Companies are coming more and more to realize, he said, that the amount of commissions paid the agent alone does

not determine whether he is an asset. The right kind of business stays on the books, and this kind is usually put there by good agents. There are three kinds of bad business, he said: That which is oversold to the policyholder, that which has been sold along the lines of least resistance rather than designed to fit a specific need, and that which has been sold on some basis other than to fit a specific need.

"It is good psychology to quote annual rates in talking with prospects, and point out that by paying the premium this way he is earning a 6 percent discount on it. Strive for annual premiums as much as possible; this method of payment is better for the policyholder, for the underwriter and for the company."

"Greater volume does not always mean greater income for you. It will mean that if you concentrate on the higher grade policies. Study your terminations to see whether you are doing a good selling job that will build up a good renewal account for you. You have to sell term policies in some instances, but not nearly so frequently as you think you do. Don't get into the term habit."

Zimmerman Gives Tips

Charles J. Zimmerman, Chicago agent for the Connecticut Mutual and secretary National Association of Life Underwriters, who built his agency from \$600,000 in 1930 to \$7,000,000 in 1936, talking on "Getting Action," warned that in these times when business is more difficult to get, agents must fight to close. More people are being closed by the emotional appeal than by the appeal to reason.

"I know two men who have about equal selling ability yet one closes one case out of three while the other closes but one out of each 14," Mr. Zimmerman said. "The difference lies in the fact that the former prepares each case very carefully before the interview, collects all possible data on the prospect

and has a concrete and applicable proposal to offer when he calls. The other counts largely upon framing his story to fit the need as he is able to discern it during the interview."

"We cannot always obtain as much information beforehand as we would like to have, but we can at least learn as much about the prospect as possible, and every additional fact makes the close that much nearer, and the possibility of selling him that much better."

Urges Definite Proposal

"We should never call on a prospect without either having a definitely helpful idea to present to him or a definite cover to offer for a known need. The time to close is whenever you have shown a prospect that he has a problem that will be solved by life insurance. Too often we are afraid to ask for a decision. The sooner he says 'yes' the sooner we are done and the sooner he says 'no' the more time we will have to change that word to 'yes.'"

Mr. Zimmerman has built up a file of closing motivating material of which he makes frequent use. He exhibited it—clippings from newspapers, letters from grateful beneficiaries, letters from clients enjoying a carefree retirement, replicas of checks paid to beneficiaries and the like.

"We in the business tell human interest stories so often they become mechanical and we don't believe them ourselves," he said. "No wonder the prospect is not sufficiently impressed by them. The one thing you can do to make the prospect believe is to buy insurance yourself until it hurts. I have done more business on the strength of my own policy than with any other argument or inducement."

Youngman on Finesse

A. V. Youngman, associate general agent Mutual Benefit, New York City, and president New York Life Underwriters Association, talked on "Finessing the Prospect's Lead." He urged making an effort to learn what is going on in the prospect's mind during the interview. He sells on the bridge principle of "two over two and forcing the lead," he said. The opening bid of two is based on frankness and suggestion rather than dogmatic assertion, and the responding

A&H Sales Possibilities Shown in Survey Edition

Every life underwriter who writes accident and health insurance should have a copy of The Accident & Health Review's Survey Edition, which will be off the press April 1. The issue will contain the most complete survey of hospital costs ever made from an accident and health insurance standpoint, full details about the new hospitalization plans and the most complete compilation of statistics on accident and disability ever published. Effective sales material and background material will be contained in the issue. Subscribers to The Accident & Health Review will get copies free and the year's subscription price is only \$2. Single copies of the Survey Edition will be 25 cents, cash or stamps, with order. Address Accident & Health Review, A-1946 Insurance Exchange, Chicago.

bid of two is anticipation of prospect's objections and agreement with him rather than argument. This is followed by forcing the lead to the close.

"You can't build a life insurance career on the book agent's plan of giving away the set of books for 'advertising purposes' and then as an afterthought telling the prospect that they are his absolutely free but he will have to subscribe to a service to keep his books up to date that costs more than the books and the service combined could possibly be worth," Mr. Youngman said.

Urges Diplomacy

Prospects don't like to be told where to get off. It is more diplomatic to tell them a wholesome truth less pointedly. A way to get around objections is to beat the prospect to the punch. Common objections can be met before they are raised.

The National Association of Life Underwriters, with its 26,000 members, 1,000 more than last year, is the second largest trade association in the country, O. Sam Cummings, general agent Kansas City Life, Dallas, and president National Association, said. The best kind of advertising is mouth-to-ear advertising, he said. Every time a life agent has an interview he advertises the life insurance institution. Every presentation, even if delivered to a friend, is a cold canvass unless the prospect knows the fundamental facts about life insurance.

Mr. Cummings outlined the national essay contest in connection with the Annual Message, which he believes will be participated in by 250,000 children this season. This means that 500,000 mothers and fathers will be thinking and talking about life insurance, he said.

A. A. Heald, Bankers of Des Moines, chairman sales congress committee, was introduced and introduced his subchairmen, H. B. Knaggs, New England Mutual, reception; F. J. Little, Massachusetts Mutual, entertainment; J. H. Kennedy Equitable Society, registration, and R. W. Turner, Connecticut Mutual, attendance.

Three Kinds of People Who Don't Buy Insurance

An agent who is very resourceful in some of his short cut methods states that he has found it effective in talking to a prospect who tends to balk to tell him that there are just three kinds of people who don't buy insurance. The first are those who cannot get it, the next are those who cannot pay for it and the third are those who do not care for their future, dependents, their obligations or the business in which they are engaged.

Lackey Gives Good Tips

DETROIT—Attorneys always should be consulted in preparation of an insurance trust case, G. E. Lackey, general agent Massachusetts Mutual and chairman National Association of Life Underwriters committee on cooperation between life agents and attorneys, told 150 underwriters, bankers and accountants at the third of a series of tax lectures sponsored by H. C. White, Detroit general agent Connecticut Mutual.

Life agents should not draft legal instruments of any kind for their clients. Few have handled irrevocable trust cases. Most of them go slowly in such cases, and rightly so, Mr. Lackey said. Plenty of instances arise in the course of life insurance solicitation where legal documents are advisable, and in such cases an attorney should be retained to draft instruments.

Should Educate Lawyers

A big problem confronting the life business is to educate lawyers on life insurance, he said. At least 80 percent of law school students skip courses on life insurance and annuities in their studies, not realizing the need for this instruction and not seeing possibilities to themselves.

"It is one of the tasks of the life underwriter to build consumer acceptance

among his clients for life insurance as a stabilizer for their estates," Mr. Lackey said. "In an amazing percentage of estates probated, the life insurance proceeds account for most if not all of the cash or liquid assets of the estate. Where there is little or no life insurance in an estate, assets often have to be sold at a sacrifice to meet the immediate cash needs of the executor or administrator having charge of the estate, to cover such expenses as the inheritance tax, funeral expenses and the like. Every estate needs some cash in order to liquidate that estate in orderly fashion, and without loss to the heirs."

Sell Life Insurance Dollars.

"There is a decided need for life underwriters to sell life insurance dollars rather than court house dollars for the estate. A survey of 100 estates probated in Wayne county shows that the estate or 'court house' dollar shrank to a point where the actual dollars in the estate were worth from 92 cents down to as low as 30 cents as compared with life insurance dollars, which are always worth 100 cents to the estate."

D. P. Kipp, tax expert, spoke on "Estate Tax Preparedness Through Life Insurance."—H. C. White presided.

AGENCY MANAGEMENT

Modern Selection Tests Are Worth While, Cummings Says

DETROIT—The great problem in agency management is selection of agents, O. Sam Cummings, general agent Kansas City Life, Dallas, Tex., and president National Association of Life Underwriters, told the Associated Life General Agents & Managers of Detroit at a dinner meeting. President C. E. Purdy, Canada Life, presided. Mr. Cummings spoke on "The Selection of Agents."

Sixteen years ago when he entered the business, Mr. Cummings said, it was the practice to take every agent possible, regardless of age, ability, intelligence or anything else. Age is one of the fundamental factors in selection, since a man must be old enough to command respect and confidence of clients, yet young enough thoroughly to adapt himself to the business. Marital status is also important. A married man as a rule has had some personal experience with a family which should give him an insight into problems of men upon whom he calls.

Education Essential

Educational background is important too. Uneducated men have made good in the business, but they were the exceptions. In selling life insurance agents deal mainly with fairly well educated people; they must be able to talk intelligently with this type. Whether the prospective agent owns life insurance should be ascertained because if he does he will be more susceptible to the idea of insurance.

"We knew all of the foregoing in the old days but we seldom adhered to a strict interpretation of these fundamentals," Mr. Cummings said. "Then we had none of the scientific aids to selection that we have today. Modern technique of selection demands that a man must have certain aptitudes native to him that we cannot give him if he lacks them. It is our duty as general agents to advise men who do not have an aptitude for the business to stay out of it and to encourage only those who have a chance to be successful."

Science Aids Judgment

The technique of selection has developed very rapidly, he said, particularly in the line of scientific aids to supplement personal judgment. The first step along this line was the rating chart. Mr. Cummings urged its use as a basic aid in selection work. This chart catalogs the background and experience of the prospect.

"There are certain facts that we should know that the prospect cannot reveal to us in an interview," he said. "I am more concerned with these facts than I am with the external facts revealed by the rating chart. I refer to the various psychological tests that have been developed of late, based on the Otis intelligence test which has been given to 30,000,000 Americans."

"Our agents must meet people who have an average IQ rating of at least 100, so it stands to reason that we would be making a mistake to put on an agent who does not test at least 100. There is no 'open sesame' in this business; we must get agents who can sell the type of business that will stay on our books."

"Another important test is that for personality. Personality, despite much belief to the contrary, is not related to intelligence. It is quite possible for a

man to have an engaging personality and yet to have a low intelligence, and vice versa. In our business it is necessary to have both a good intelligence and an engaging personality. It cost me \$426 for every new man I added to my agency last year, and I am not going to spend \$426 unless the rating chart, intelligence and personality tests show that he has a good chance to become a valuable member of my staff.

"If we can eliminate two-thirds of the applicants for connection with us through these tests, then we are saving ourselves a lot of time and expense, most of which would be wasted. We are saving ourselves from attempting to de-

Set Minimum Number of Calls, Is Advice to Supervisors

BROOKLYN—Systems for acquiring new full-time men and for getting new brokerage business were described by H. S. Alexander, New York Life, and Bernard Haas, Mutual Life of New York, at the March meeting of the Brooklyn Supervisors Association, of which both men are members.

Mr. Alexander said the supervisor should set himself a minimum number of calls each week with the specific aim of getting new full-time men. It is particularly important when such a contact recommends a potential agent that the supervisor not be content with merely writing him a perfunctory note of thanks. Instead he should see him, thanking him in person. This is very much appreciated by the man making the suggestion, Mr. Alexander said.

Why Supervisors Fail

It is impossible to say why a supervisor succeeds, but it is possible to tell by observation what causes a supervisor to fail. "It is a good practice to try finding out what causes these failures and then make the adjustment, he said. One of the most important causes of failure among supervisors is the same as among agents, failure to get out and see people.

velop men who cannot grasp our ideas and put them into effect profitably. The National association, through arrangement with Dr. Otis who developed these psychological tests and Dr. Verne Steward, who adapted them to the life insurance business, offers these blanks at 5 cents per set, which includes no royalties for either of these men.

Other Elements Needed

"Among the other things we can test with distinct advantage to ourselves in selection are aggressiveness and nervous stability, both of which factors are important in the making of a salesman. The former of these two has been used for 20 years and the latter for 25 years, proving them by experience and long use. The underwriter should rank well above the average in aggressiveness in order to be successful. Every time I think I know more than the tests and take on a man who ranks below average in this factor, I find out my mistake sooner or later.

"The stability tests have been given to 5,000,000 persons and will show whether your prospective agent has the guts to stay with the job or whether he will become discouraged too easily. There is no guesswork about it. In my agency we use the rating charts and all five of the psychological tests with excellent results."

He has found it a paying proposition to get out of his car and walk from store to store.

Mr. Haas, dealing with development of brokerage business, said he had found it helpful to classify brokers into four groups: (a) those good for about \$120,000 of business a year; (b) those who can be counted on for about \$50,000; (c) those in the \$20,000 class, and (d) less than \$20,000.

Supervisor's Concern

The first two groups should be the supervisor's main concern. Those in the third group should be given time only when they call up or come around, though contact should be kept up by literature and monthly bulletins. The fourth class is not worth bothering with except for literature once a month. Mr. Haas set himself a brokerage business quota of \$1,000,000 for 1937 and succeeded in getting \$1,100,000. This year his company gave him a \$1,500,000 quota. Through his system he has reason to believe he is accurate in estimating that about \$1,350,000 can be expected from existing brokerage contacts, leaving only \$150,000 to be accounted for by new contacts.

Recruiting Methods Told

PITTSBURGH—Methods used in recruiting were outlined at the meeting of the Supervisors Club of the Pittsburgh Life Underwriters Association.

E. L. Stanley, supervisor in Pittsburgh for the Mutual Life of New York, said that in 1937 he interviewed 214 men and hired nine. Of the nine hired, seven appear to be good ones, with four of them potential field club members, he reported. He outlined three interviews which he gives the new man, each with an elimination test. The first elimination is based on voice, manner, appearance and handshake. The applicant is given the Steward aptitude test and is invited back at a definite time or told to get in touch with the agency at his convenience. The good men are given a definite appointment.

In the second interview, as outlined by Mr. Stanley, the question of company and agency are discussed in detail. At

this time he tries to answer the kind of questions he would ask if he were a new man applying for a job.

In the third or final interview, the applicant understands that there is no drawing account available and that he has been approved by the agency heads.

Mr. Stanley feels that a good recruiter should sell renewals, tell the new man why he entered the business himself and sell the career idea. He feels it especially important to know the attitude of the applicant's wife and family, and tells the new man that he is willing to assume a personal responsibility for his success.

Prospective agents he obtains by asking for a "live, active man." Contacts are made with centers of influence, agents and their friends, medical examiners, and people observed in the daily routine.

The average supervisor is forced to

leave the vital job of recruiting until last because he cannot get out of the office and free from petty details, G. C. Coulson, supervisor in Pittsburgh for the Connecticut Mutual Life, told members of the club. This problem is met in the Pittsburgh agency of his company by dividing the function of management three ways, he said.

Definite Schedule Followed

R. N. Waddell, general agent, has the special job of building agency prestige and overseeing the operation of the agency. Supervisor V. S. Mollenauer has the responsibility for training the salesmen. Mr. Coulson has the responsibility of recruiting and contacting brokers. Each man has a fixed weekly schedule calling for 3½ days out of the office. Someone is always in the office while the other two are out. Mr. Coulson has fixed a minimum number of men whom he must interview each month. By following this schedule the proper proportion of time is left free for recruiting.

Illinois Selling Conditions Improved, Steward Says

Much has been done since Ernest Palmer became insurance director of Illinois to improve life insurance selling conditions in Chicago and Illinois generally, Dr. Verne Steward told the Life Agency Supervisors of Chicago at the March meeting, but there is still a long way to go before the life agents there will come into their own, he said. Dr. Steward noted that several years ago conditions in Illinois were very bad. He said at the state capitol in Springfield he was told nine of the 11 barbers in the immediate vicinity of the capitol sold life insurance on the side. It is not so easy to get an agency contract today, he said, with the modern qualification law.

Life agencies can't hold the men in the business unless they can be made to pay for \$75,000 their first year, he said. Any agency management policy that cannot accomplish that is in dangerous shape.

Dr. Steward cited national figures showing that of each 100 agents appointed only 45 survive the first year and 10 the first five years. He said the objective of every agency must be to have 50 out of 100 at the end of the fifth year. He said many men who have been regarded as having failed have not failed but left of their own volition. Management was at fault. It is not successful agency building to acquire agents only to lose them.

R. H. Wienecke, Stewart, Keator, Kessberger & Lederer agency, Continental Assurance, the president, presided.

Fulton Address Managers

James A. Fulton, president of the Home Life, was the principal speaker at a meeting of the San Francisco General Agents & Managers Association. He discussed agency problems and ideas for meeting present day issues.

Nell Is Named Supervisor

G. Max Nell, Jr., has been appointed supervisor of the Seth W. Ryan general agency of the Penn Mutual Life in Detroit, succeeding W. H. Nicholls, Jr., who has gone to the home office in preparation for taking a general agency. Mr. Nicholls had been supervisor of the agency since 1932. Mr. Nell joined the staff as an agent in October, 1936, and made an exceptional record in personal production.

Dr. T. C. Denny of Des Moines, vice-chairman of the emergency relief administration and former vice-president and agency head of the Central Life of that city, is critically ill in a hospital there. He has been laid up for some weeks. He is afflicted with a severe nervous complaint.